



General Assembly

Amendment

December Special Session, 2015

LCO No. 9887



Offered by:

REP. KLARIDES, 114th Dist.
REP. CANDELORA, 86th Dist.
REP. HOYDICK, 120th Dist.
REP. MINER, 66th Dist.
REP. O'NEILL, 69th Dist.

To: Senate Bill No. 1601

File No. 0

Cal. No. 0

***"AN ACT MAKING CERTAIN STRUCTURAL CHANGES TO THE
STATE BUDGET AND ADJUSTMENTS TO THE STATE BUDGET
FOR THE BIENNIUM ENDING JUNE 30, 2017."***

1 Strike sections 20 and 21, sections 23 to 30, inclusive, sections 34 to
2 46, inclusive, and section 49 in their entirety and renumber the
3 remaining sections and internal references accordingly

4 After the last section, add the following and renumber sections and
5 internal references accordingly:

6 "Sec. 501. Subsection (b) of section 5-278 of the general statutes is
7 repealed and the following is substituted in lieu thereof (*Effective from*
8 *passage*):

9 (b) Any agreement reached by the negotiators shall be reduced to
10 writing. The agreement, together with a request for funds necessary to

11 fully implement such agreement and for approval of any provisions of
12 the agreement which are in conflict with any statute or any regulation
13 of any state agency, and any arbitration award, issued in accordance
14 with section 5-276a, together with a statement setting forth the amount
15 of funds necessary to implement such award, shall be filed by the
16 bargaining representative of the employer with the clerks of the House
17 of Representatives and the Senate [within] not later than ten days after
18 the date on which such agreement is reached or such award is
19 distributed. The General Assembly may approve any such agreement
20 as a whole by a majority vote of each house or may reject such
21 agreement as a whole by a majority vote of either house. The General
22 Assembly may reject any such award as a whole by a two-thirds vote
23 of either house if it determines that there are insufficient funds for full
24 implementation of the award. If rejected, or if either chamber fails to
25 act on the agreement or award within the time periods required under
26 this subsection, the matter shall be returned to the parties for further
27 bargaining. Once approved by the General Assembly, any provision of
28 an agreement or award need not be resubmitted by the parties to such
29 agreement or award as part of a future contract approval process
30 unless changes in the language of such provision are negotiated by
31 such parties. Any supplemental understanding reached between such
32 parties containing provisions which would supersede any provision of
33 the general statutes or any regulation of any state agency or would
34 require additional state funding shall be submitted to the General
35 Assembly for approval in the same manner as agreements and awards.
36 If the General Assembly is in session, it shall vote to approve or reject
37 such agreement or award [within] not later than thirty days after the
38 date of filing. If the General Assembly is not in session when such
39 agreement or award is filed, it shall be submitted to the General
40 Assembly [within] not later than ten days of the first day of the next
41 regular session or special session called for such purpose. The
42 agreement or award shall [be deemed approved if the General
43 Assembly fails to vote to approve or reject such agreement or award
44 within thirty days after such filing or submission] not be implemented
45 unless approved by the General Assembly in accordance with this

46 subsection. The thirty-day period shall not begin or expire unless the
47 General Assembly is in regular session. For the purpose of this
48 subsection, any agreement or award filed with the clerks within thirty
49 days before the commencement of a regular session of the General
50 Assembly shall be deemed to be filed on the first day of such session.

51 Sec. 502. Subsection (d) of section 5-278 of the general statutes is
52 repealed and the following is substituted in lieu thereof (*Effective from*
53 *passage*):

54 (d) No provision of any general statute or special act shall prevent
55 negotiations between an employer and an employee organization
56 which has been designated as the exclusive representative of
57 employees in an appropriate unit, from continuing after the final date
58 for setting the state budget. An agreement between an employer and
59 an employee organization shall be valid and in force under its terms
60 when entered into in accordance with the provisions of this chapter
61 and signed by the chief executive officer or administrator as a
62 ministerial act. Such terms may not make any such agreement effective
63 on a date prior to the date on which the agreement is entered. No
64 publication thereof shall be required to make it effective. The
65 procedure for the making of an agreement between the employer and
66 an employee organization provided by sections 5-270 to 5-280,
67 inclusive, as amended by this act, shall be the exclusive method for
68 making a valid agreement for employees represented by an employee
69 organization, and any provisions in any general statute or special act
70 to the contrary shall not apply to such an agreement.

71 Sec. 503. Subsection (f) of section 5-278 of the general statutes is
72 repealed and the following is substituted in lieu thereof (*Effective from*
73 *passage*):

74 (f) (1) [Notwithstanding] (A) Prior to July 1, 2022, notwithstanding
75 any other provision of this chapter, collective bargaining negotiations
76 concerning changes to the state employees retirement system to be
77 effective on and after July 1, 1988, and collective bargaining

78 negotiations concerning health and welfare benefits to be effective on
79 and after July 1, 1994, shall be conducted between the employer and a
80 coalition committee which represents all state employees who are
81 members of any designated employee organization. [(2)] (B) The
82 provisions of subparagraph (A) of this subdivision [(1) of this
83 subsection] shall not be construed to prevent the employer and any
84 designated employee organization from bargaining directly with each
85 other on matters related to the state employees retirement system and
86 health and welfare benefits whenever the parties jointly agree that
87 such matters are unique to the particular bargaining unit. [(3)] (C) The
88 provisions of subparagraph (A) of this subdivision [(1) of this
89 subsection] shall not be construed to prevent the employer and
90 representatives of employee organizations from dealing with any
91 state-wide issue using the procedure established in said subdivision.

92 (2) Notwithstanding the provisions of subdivision (1) of this
93 subsection, the expiration date of provisions concerning state
94 employee retirement benefits or the state employees retirement system
95 in the 2011 agreement between the State of Connecticut and the State
96 Employees Bargaining Agent Coalition shall not be extended beyond
97 June 30, 2022, by collective bargaining negotiations. Upon the
98 expiration of such provisions, any matters related to state employee
99 retirement benefits or the state employee retirement system shall be
100 established by statute.

101 (3) (A) On and after July 1, 2022, notwithstanding any other
102 provision of this chapter, collective bargaining negotiations concerning
103 health and welfare benefits to be effective on and after July 1, 2022,
104 shall be conducted between the employer and a coalition committee
105 which represents all state employees who are members of any
106 designated employee organization. (B) The provisions of subparagraph
107 (A) of this subdivision shall not be construed to prevent the employer
108 and any designated employee organization from bargaining directly
109 with each other on matters related to state employee health and
110 welfare benefits whenever the parties jointly agree that such matters

111 are unique to the particular bargaining unit. (C) The provisions of
112 subparagraph (A) of this subdivision shall not be construed to prevent
113 the employer and representatives of employee organizations from
114 dealing with any state-wide issue using the procedure established in
115 said subparagraph.

116 Sec. 504. Subsection (a) of section 5-271 of the general statutes is
117 repealed and the following is substituted in lieu thereof (*Effective from*
118 *passage*):

119 (a) (1) Employees shall have, and shall be protected in the exercise
120 of the right of self-organization, to form, join or assist any employee
121 organization, to bargain collectively through representatives of their
122 own choosing on questions of wages, hours and other conditions of
123 employment, except as provided in subdivision (2) of this subsection
124 and subsection (d) of section 5-272, and to engage in other concerted
125 activities for the purpose of collective bargaining or other mutual aid
126 or protection, free from actual interference, restraint or coercion.

127 (2) On and after July 1, 2022, "wages, hours and other conditions of
128 employment" shall not include any question related to state employee
129 retirement benefits or the state employees retirement system.

130 Sec. 505. Subsection (c) of section 5-272 of the general statutes is
131 repealed and the following is substituted in lieu thereof (*Effective from*
132 *passage*):

133 (c) For the purposes of sections 5-270 to 5-280, inclusive, as amended
134 by this act, to bargain collectively is the performance of the mutual
135 obligation of the employer or his designated representatives and the
136 representative of the employees to meet at reasonable times, including
137 meetings appropriately related to the budget-making process, and
138 bargain in good faith with respect to wages, hours and other
139 conditions of employment, except as provided in subsection (a) of
140 section 5-271, as amended by this act, and subsection (d) of this section,
141 or the negotiation of an agreement, or any question arising thereunder,

142 and the execution of a written contract incorporating any agreement
143 reached if requested by either party, but such obligation shall not
144 compel either party to agree to a proposal or require the making of a
145 concession.

146 Sec. 506. Section 3-13b of the general statutes is repealed and the
147 following is substituted in lieu thereof (*Effective from passage*):

148 (a) There is created an Investment Advisory Council which shall
149 consist of the following: (1) The Secretary of the Office of Policy and
150 Management who shall serve as an ex-officio member of said council;
151 (2) the State Treasurer who shall serve as an ex-officio member of said
152 council; (3) five public members all of whom shall be experienced in
153 matters relating to investments. The Governor, the president pro
154 tempore of the Senate, the Senate minority leader, the speaker of the
155 House of Representatives and the minority leader of the House of
156 Representatives shall each appoint one such public member to serve
157 for a term of four years. No such public member or such member's
158 business organization or affiliate shall directly or indirectly contract
159 with or provide any services for the investment of trust funds of the
160 state of Connecticut during the time of such member's service on said
161 council and for one year thereafter. The term of each public member in
162 office on June 30, 1983, shall end on July 1, 1983. The appointing
163 authority shall fill all vacancies of the public members; (4) three
164 representatives of the teachers' unions, and two representatives of the
165 state employees' unions. On or before July 15, 1983, the teachers'
166 unions shall jointly submit to the State Treasurer a list of three
167 nominees, and the state employees' unions or a majority thereof who
168 represent a majority of state employees shall jointly submit to the
169 Treasurer a list of two nominees. On or before July 30, 1983, the
170 Governor shall appoint five members of the council from such lists, for
171 terms of two years. Any person appointed to fill a vacancy or to be a
172 new member at the expiration of a given term, whose predecessor in
173 that position was either a representative of one of the teachers' unions
174 or one of the state employees' unions, shall also be a representative of

175 such respective union group. Any such appointee shall be appointed
176 by the Governor from a list of nominees submitted to the Treasurer by
177 the teachers' unions or state employees' unions or such majority
178 thereof, as the case may be, within thirty days of notification by the
179 Treasurer of the existence of a vacancy or a prospective vacancy, or the
180 expiration or prospective expiration of a term. All members of the
181 council shall serve until their respective successors are appointed and
182 have qualified. No public member of the council shall serve more than
183 two consecutive terms which commence on or after July 1, 1983.

184 (b) The Governor shall designate one of the members to be
185 chairperson of the council to serve as such at the Governor's pleasure.
186 The Treasurer shall serve as secretary of said council. A majority of the
187 members of the council then in office shall constitute a quorum for the
188 transaction of any business, and action shall be by the vote of a
189 majority of the members present at a meeting. Votes by members on
190 investment policies shall be recorded in the minutes of each meeting.
191 Members of said council shall not be compensated for their services
192 but shall be reimbursed for all necessary expenses incurred in the
193 performance of their duties as members of said council. The council
194 shall meet at least once during each calendar quarter and at such other
195 times as the chairperson deems necessary or upon the request of a
196 majority of the members in office. Special meetings shall be held at the
197 request of such majority after notice in accordance with the provisions
198 of section 1-225. Any member who fails to attend three consecutive
199 meetings or who fails to attend fifty per cent of all meetings held
200 during any calendar year shall be deemed to have resigned from office.

201 (c) (1) The Treasurer shall recommend to the Investment Advisory
202 Council an investment policy statement which shall set forth the
203 standards governing investment of trust funds by the Treasurer. Such
204 statement shall include, with respect to each trust fund, without
205 limitation, (A) investment objectives; (B) asset allocation policy and
206 risk tolerance; (C) asset class definitions, including specific types of
207 permissible investments within each asset class and any specific

208 limitations or other considerations governing the investment of any
209 funds; (D) investment manager guidelines; (E) investment
210 performance evaluation guidelines; (F) guidelines for the selection and
211 termination of providers of investment-related services who shall
212 include, but not be limited to, investment advisors, external money
213 managers, investment consultants, custodians, broker-dealers, legal
214 counsel, and similar investment industry professionals; and (G) proxy
215 voting guidelines. A draft of the statement shall be submitted to the
216 Investment Advisory Council at a meeting of said council and shall be
217 made available to the public. Notice of such availability shall be
218 published in at least one newspaper having a general circulation in
219 each municipality in the state which publication shall be not less than
220 two weeks prior to such meeting. Said council shall review the draft
221 statement and shall publish any recommendations it may have for
222 changes to such statement in the manner provided for publication of
223 the statement by the Treasurer. The Treasurer shall thereafter adopt
224 the statement, including any such changes the Treasurer deems
225 appropriate, with the approval of a majority of the members appointed
226 to said council. If a majority of the members appointed to said council
227 fail to approve such statement, said majority shall provide the reasons
228 for its failure to approve to the Treasurer who may submit an
229 amended proposed statement at a subsequent regular or special
230 meeting of said council. Such revised proposed statement shall be
231 made available to the public in accordance with the provisions of the
232 Freedom of Information Act, as defined in section 1-200. Any revisions
233 or additions to the investment policy statement shall be made in
234 accordance with the procedures set forth in this subdivision for the
235 adoption of the statement. The Treasurer shall annually review the
236 investment policy statement and shall consult with the Investment
237 Advisory Council regarding possible revisions to such statement.

238 (2) All trust fund investments by the State Treasurer shall be
239 reviewed by said Investment Advisory Council. The Treasurer shall
240 provide to the council all information regarding such investments
241 which the Treasurer deems relevant to the council's review and such

242 other information as may be requested by the council. The Treasurer
243 shall provide a report at each regularly scheduled meeting of the
244 Investment Advisory Council as to the status of the trust funds and
245 any significant changes which may have occurred or which may be
246 pending with regard to the funds. The council shall promptly notify
247 the Auditors of Public Accounts and the Comptroller of any
248 unauthorized, illegal, irregular or unsafe handling or expenditure of
249 trust funds or breakdowns in the safekeeping of trust funds or
250 contemplated action to do the same within their knowledge. The
251 Governor may direct the Treasurer to change any investments made
252 by the Treasurer when in the judgment of said council such action is
253 for the best interest of the state. Said council shall, at the close of the
254 fiscal year, make a complete examination of the security investments of
255 the state and determine as of June thirtieth, the value of such
256 investments in the custody of the Treasurer and report thereon to the
257 Governor, the General Assembly and beneficiaries of trust funds
258 administered, held or invested by the Treasurer. With the approval of
259 the Treasurer and the council, said report may be included in the
260 Treasurer's annual report.

261 (d) The Investment Advisory Council shall be within the office of
262 the State Treasurer for administrative purposes only.

263 (e) Notwithstanding any provision of chapter 66, the Investment
264 Advisory Council shall establish the anticipated rate of return for the
265 state employees retirement system, the municipal employees'
266 retirement system established by part II of chapter 113, the teachers'
267 retirement system and all other state retirement and pension plans.
268 Such established rate shall be used for the purpose of conducting
269 actuarial analyses for the valuation of such retirement systems and
270 plans, including, but not limited to, as required in section 5-156a.

271 [(e)] (f) For the purposes of this section, "teachers' union" means a
272 representative organization for certified professional employees, as
273 defined in section 10-153b, and "state employees' union" means an
274 organization certified to represent state employees, pursuant to section

275 5-275.

276 Sec. 507. (*Effective from passage*) (a) There shall be established a state
277 appropriations review panel to review each appropriation made in the
278 current state budget as reflected in public act 15-244, and any
279 amendments thereto. Said panel shall examine each appropriation to
280 determine whether the purpose of such appropriation is being fulfilled
281 and to identify duplications of efforts among appropriations or
282 programs, in either services provided or recipients of such services.

283 (b) The panel shall consist of the following members:

284 (1) The speaker of the House of Representatives, or the speaker's
285 designee;

286 (2) The president pro tempore of the Senate, or the president pro
287 tempore's designee;

288 (3) The majority leader of the House of Representatives, or the
289 majority leader's designee;

290 (4) The majority leader of the Senate, or the majority leader's
291 designee;

292 (5) The minority leader of the House of Representatives, or the
293 minority leader's designee;

294 (6) One person appointed by the minority leader of the House of
295 Representatives;

296 (7) The minority leader of the Senate, or the minority leader's
297 designee; and

298 (8) One person appointed by the minority leader of the Senate.

299 (c) Each member of the panel shall be a member of the General
300 Assembly. The panel shall, at all times, be composed of an equal
301 number of Republican and Democrat members.

302 (d) All appointments to the panel shall be made not later than thirty
303 days after the effective date of this section. Any vacancy shall be filled
304 by the appointing authority.

305 (e) The speaker of the House of Representatives and the minority
306 leader of the Senate shall select the chairpersons of the panel from
307 among the members of the panel. Such chairpersons shall schedule the
308 first meeting of the panel, which shall be held not later than sixty days
309 after the effective date of this section.

310 (f) On or before September 1, 2016, the panel shall submit its
311 recommendations, in accordance with the provisions of section 11-4a
312 of the general statutes, for the consolidation of appropriations and any
313 other matters related to the appropriation of state funds to the joint
314 standing committee of the General Assembly having cognizance of
315 matters relating to appropriations and the budgets of state agencies.
316 The panel shall terminate on the date that it submits such
317 recommendations or September 1, 2016, whichever is later.

318 Sec. 508. Subsection (d) of section 3-20 of the general statutes is
319 repealed and the following is substituted in lieu thereof (*Effective from*
320 *passage*):

321 (d) All bonds of the state, authorized by the State Bond Commission
322 acting prior to July 1, 1972, pursuant to any bond act taking effect prior
323 to such date, shall be issued in accordance with such bond act or this
324 section. All bonds of the state authorized to be issued by the State
325 Bond Commission acting on or after July 1, 1972, pursuant to any bond
326 act taking effect before, on or after such date, shall be authorized and
327 shall be issued in accordance with this section. All bonds of the state
328 authorized to be issued by the State Bond Commission acting on or
329 after January 1, 2016, pursuant to any bond act taking effect before, on
330 or after such date, shall not exceed in the aggregate one billion eight
331 hundred million dollars in any calendar year.

332 Sec. 509. (*Effective from passage*) (a) There is established the Efficiency

333 Planning Committee. Said committee shall identify and evaluate
334 opportunities for nonprofit service providers to provide services
335 otherwise provided by the state. The committee shall:

336 (1) Identify and evaluate any state provided service that costs the
337 state more than two hundred fifty thousand dollars, on average, per
338 recipient, except any such service provided to an inmate in a
339 correctional facility;

340 (2) Recommend that each state agency providing any such service
341 solicit competitive bids for the provision of such services; and

342 (3) Recommend that any potential reduction to the state workforce
343 resulting from the implementation of recommendations pursuant to
344 subdivision (2) of this subsection be achieved, to the extent possible,
345 through attrition.

346 (b) The committee shall consist of the following members:

347 (1) The speaker of the House of Representatives, or the speaker's
348 designee;

349 (2) The president pro tempore of the Senate, or the president pro
350 tempore's designee;

351 (3) The majority leader of the House of Representatives, or the
352 majority leader's designee;

353 (4) The majority leader of the Senate, or the majority leader's
354 designee;

355 (5) The minority leader of the House of Representatives, or the
356 minority leader's designee;

357 (6) One person appointed by the minority leader of the House of
358 Representatives;

359 (7) The minority leader of the Senate, or the minority leader's

360 designee; and

361 (8) One person appointed by the minority leader of the Senate.

362 (c) Any member of the committee designated or appointed under
363 subsection (b) of this section may be a member of the General
364 Assembly.

365 (d) All appointments to the committee shall be made not later than
366 thirty days after the effective date of this section. Any vacancy shall be
367 filled by the appointing authority.

368 (e) The speaker of the House of Representatives and the minority
369 leader of the Senate shall select the chairpersons of the committee from
370 among the members of the committee. Such chairpersons shall
371 schedule the first meeting of the committee, which shall be held not
372 later than sixty days after the effective date of this section.

373 (f) The administrative staff of the joint standing committee of the
374 General Assembly having cognizance of matters relating to
375 government administration shall serve as administrative staff of the
376 committee.

377 (g) Not later than December 1, 2016, the committee shall submit a
378 report on its findings and recommendations to the joint standing
379 committees of the General Assembly having cognizance of matters
380 relating to appropriations and government administration, in
381 accordance with the provisions of section 11-4a of the general statutes.
382 The committee shall terminate on the date that it submits such report
383 or December 1, 2016, whichever is later.

384 Sec. 510. (NEW) (*Effective from passage*) (a) On and after July 1, 2016,
385 no child or youth shall be placed or subsequently transferred to the
386 Connecticut Juvenile Training School or the Pueblo Unit for girls.

387 (b) Not later than November 30, 2016, the Commissioner of Children
388 and Families shall cause each child or youth currently placed in the

389 Connecticut Juvenile Training School or the Pueblo Unit for girls to be
390 transferred to an appropriate institution, hospital or facility under the
391 jurisdiction of the Court Support Services Division of the Judicial
392 Branch or to any private or nonprofit agency, association or
393 organization within or without the state under contract with said
394 branch.

395 Sec. 511. Section 4b-55 of the general statutes is repealed and the
396 following is substituted in lieu thereof (*Effective December 1, 2016*):

397 As used in this section, section 4b-1 and sections 4b-56 to 4b-59,
398 inclusive, unless the context clearly requires otherwise:

399 (a) "Commissioner" means the Commissioner of Administrative
400 Services;

401 (b) "Consultant" means (1) any architect, professional engineer,
402 landscape architect, land surveyor, accountant, interior designer,
403 environmental professional or construction administrator, who is
404 registered or licensed to practice such person's profession in
405 accordance with the applicable provisions of the general statutes, or (2)
406 any planner or financial specialist;

407 (c) "Consultant services" shall include those professional services
408 rendered by architects, professional engineers, landscape architects,
409 land surveyors, accountants, interior designers, environmental
410 professionals, construction administrators, planners or financial
411 specialists, as well as incidental services that members of these
412 professions and those in their employ are authorized to perform;

413 (d) "University of Connecticut library project" means a project to
414 renovate and improve the Homer Babbidge Library at The University
415 of Connecticut;

416 (e) "Firm" means any individual, partnership, corporation, joint
417 venture, association or other legal entity (1) authorized by law to
418 practice the profession of architecture, landscape architecture,

419 engineering, land surveying, accounting, interior design,
420 environmental or construction administration, or (2) practicing the
421 profession of planning or financial specialization;

422 (f) "Priority higher education facility project" means any project
423 which is part of a state program to repair, renovate, enlarge, equip,
424 purchase or construct (1) instructional facilities, (2) academic core
425 facilities, including library, research and laboratory facilities, (3)
426 student residential or related student dining facilities, or (4) utility
427 systems related to such projects, which are or will be operated under
428 the jurisdiction of the board of trustees of any constituent unit of the
429 state system of higher education, except The University of Connecticut
430 provided the project is included in the comprehensive facilities master
431 plan of the constituent unit in the most recent state facility plan of the
432 Office of Policy and Management pursuant to section 4b-23, as
433 amended by this act;

434 (g) "Project" means any state program requiring consultant services
435 if the cost of such services is estimated to exceed three hundred
436 thousand dollars;

437 (h) "Selection panel" or "panel" means the State Construction
438 Services Selection Panel established pursuant to subsection (a) of
439 section 4b-56 or, in the case of a Connecticut Health and Education
440 Facilities Authority project pursuant to section 10a-186a, means the
441 Connecticut Health and Education Facilities Authority Construction
442 Services Panel established pursuant to subsection (c) of section 4b-56;

443 (i) "User agency" means the state department or agency requesting
444 the project or the agency for which such project is being undertaken
445 pursuant to law;

446 (j) "Community court project" means (1) any project to renovate and
447 improve a facility designated for the community court established
448 pursuant to section 51-181c, and (2) the renovation and improvement
449 of other state facilities required for the relocation of any state agency

450 resulting from the placement of the community court;

451 [(k) "Connecticut Juvenile Training School project" means a project
452 (1) to develop on a designated site new facilities for a Connecticut
453 Juvenile Training School in Middletown including, but not limited to,
454 preparing a feasibility study for, designing, constructing,
455 reconstructing, improving or equipping said facility for use by the
456 Department of Children and Families, which is an emergency project
457 because there is an immediate need for completion of said project to
458 remedy overcrowding at Long Lane School; said school shall have an
459 annual average daily population of not more than two hundred forty
460 residents; or (2) to develop a separate facility for girls including, but
461 not limited to, acquiring of land or buildings, designing, constructing,
462 reconstructing, improving or equipping said facility for use by the
463 Department of Children and Families;]

464 [(l)] (k) "Downtown Hartford higher education center project"
465 means a project to develop a higher education center, as defined in
466 subparagraph (B) of subdivision (2) of section 32-600, and as described
467 in subsection (a) of section 32-612, for the regional community-
468 technical college system;

469 [(m)] (l) "Correctional facility project" means any project (1) which is
470 part of a state program to repair, renovate, enlarge or construct
471 facilities which are or will be operated by the Department of
472 Correction, and (2) for which there is an immediate need for
473 completion in order to remedy prison and jail overcrowding; and

474 [(n)] (m) "Juvenile detention center project" means any project (1)
475 which is part of a state program to repair, renovate, enlarge or
476 construct juvenile detention centers which are or will be operated by
477 the Judicial Department, and (2) for which there is an immediate need
478 for completion in order to remedy overcrowding.

479 Sec. 512. Subsection (a) of section 4b-58 of the general statutes is
480 repealed and the following is substituted in lieu thereof (*Effective*

481 December 1, 2016):

482 (a) (1) Except in the case of a project, a priority higher education
483 facility project, a project, as defined in subdivision (16) of section 10a-
484 109c, undertaken by The University of Connecticut, a community court
485 project, a correctional facility project, a juvenile detention center
486 project, and the downtown Hartford higher education center project,
487 the commissioner shall negotiate a contract for consultant services with
488 the firm most qualified, in the commissioner's judgment, at
489 compensation which the commissioner determines is both fair and
490 reasonable to the state. (2) In the case of a project, the commissioner
491 shall negotiate a contract for such services with the most qualified firm
492 from among the list of firms submitted by the panel at compensation
493 which the commissioner determines in writing to be fair and
494 reasonable to the state. If the commissioner is unable to conclude a
495 contract with any of the firms recommended by the panel, the
496 commissioner shall, after issuing written findings of fact documenting
497 the reasons for such inability, negotiate with those firms which the
498 commissioner determines to be most qualified, at fair and reasonable
499 compensation, to render the particular consultant services under
500 consideration. (3) Whenever consultant services are required for a
501 priority higher education facility project, a project involving the
502 construction, repair or alteration of a building or premises under the
503 supervision of the Office of the Chief Court Administrator or property
504 where the Judicial Department is the primary occupant, a community
505 court project, a correctional facility project, a juvenile detention center
506 project, or the downtown Hartford higher education center project, the
507 commissioner shall select and interview at least three consultants or
508 firms and shall negotiate a contract for consultant services with the
509 firm most qualified, in the commissioner's judgment, at compensation
510 which the commissioner determines is both fair and reasonable to the
511 state. [, except that if, in the opinion of the commissioner, the
512 Connecticut Juvenile Training School project needs to be expedited in
513 order to meet the needs of the Department of Children and Families,
514 the commissioner may waive such selection requirement.] Except for

515 the downtown Hartford higher education center project, the
516 commissioner shall notify the State Properties Review Board of the
517 commissioner's action not later than five business days after such
518 action for its approval or disapproval in accordance with subsection (i)
519 of section 4b-23, as amended by this act, except that if, not later than
520 fifteen days after such notice, a decision has not been made, the board
521 shall be deemed to have approved such contract.

522 Sec. 513. Subsection (l) of section 10-233d of the general statutes is
523 repealed and the following is substituted in lieu thereof (*Effective*
524 *December 1, 2016*):

525 (l) (1) Any student who commits an expellable offense and is
526 subsequently committed to a juvenile detention center [, the
527 Connecticut Juvenile Training School] or any other residential
528 placement for such offense may be expelled by a local or regional
529 board of education in accordance with the provisions of this section.
530 The period of expulsion shall run concurrently with the period of
531 commitment to a juvenile detention center [, the Connecticut Juvenile
532 Training School] or any other residential placement.

533 (2) If a student who committed an expellable offense seeks to return
534 to a school district after having been in a juvenile detention center [,
535 the Connecticut Juvenile Training School] or any other residential
536 placement and such student has not been expelled by the local or
537 regional board of education for such offense under subdivision (1) of
538 this subsection, the local or regional board of education for the school
539 district to which the student is returning shall allow such student to
540 return and may not expel the student for additional time for such
541 offense.

542 Sec. 514. Subsection (b) of section 10-233k of the general statutes is
543 repealed and the following is substituted in lieu thereof (*Effective*
544 *December 1, 2016*):

545 (b) The Department of Children and Families and the Judicial

546 Department or the local or regional board of education shall provide to
547 the superintendent of schools any educational records within their
548 custody of a child seeking to enter or return to a school district from a
549 juvenile detention center [, the Connecticut Juvenile Training School,]
550 or any other residential placement, prior to the child's entry or return.
551 The agencies shall also require any contracting entity that holds
552 custody of such records to provide them to the superintendent of
553 schools prior to the child's entry or return. Receipt of the educational
554 records shall not delay a child from enrolling in school. The
555 superintendent of schools shall provide such information to the
556 principal at the school the child will be attending. The principal shall
557 disclose such information to appropriate staff as is necessary to the
558 education or care of the child.

559 Sec. 515. Subsection (a) of section 17a-3 of the general statutes is
560 repealed and the following is substituted in lieu thereof (*Effective*
561 *December 1, 2016*):

562 (a) The department shall plan, create, develop, operate or arrange
563 for, administer and evaluate a comprehensive and integrated
564 state-wide program of services, including preventive services, for
565 children and youths whose behavior does not conform to the law or to
566 acceptable community standards, or who are mentally ill, including
567 deaf and hearing impaired children and youths who are mentally ill,
568 emotionally disturbed, substance abusers, delinquent, abused,
569 neglected or uncared for, including all children and youths who are or
570 may be committed to it by any court, and all children and youths
571 voluntarily admitted to, or remaining voluntarily under the
572 supervision of, the commissioner for services of any kind. Services
573 shall not be denied to any such child or youth solely because of other
574 complicating or multiple disabilities. The department shall work in
575 cooperation with other child-serving agencies and organizations to
576 provide or arrange for preventive programs, including, but not limited
577 to, teenage pregnancy and youth suicide prevention, for children and
578 youths and their families. The program shall provide services and

579 placements that are clinically indicated and appropriate to the needs of
580 the child or youth, except that such services and placements shall not
581 commence or continue for a delinquent child who has attained the age
582 of twenty. In furtherance of this purpose, the department shall: (1)
583 Maintain [the Connecticut Juvenile Training School and other]
584 appropriate facilities exclusively for delinquents; (2) develop a
585 comprehensive program for prevention of problems of children and
586 youths and provide a flexible, innovative and effective program for the
587 placement, care and treatment of children and youths committed by
588 any court to the department, transferred to the department by other
589 departments, or voluntarily admitted to the department; (3) provide
590 appropriate services to families of children and youths as needed to
591 achieve the purposes of sections 17a-1 to 17a-26, inclusive, 17a-28 to
592 17a-49, inclusive, and 17a-51; (4) establish incentive paid work
593 programs for children and youths under the care of the department
594 and the rates to be paid such children and youths for work done in
595 such programs and may provide allowances to children and youths in
596 the custody of the department; (5) be responsible to collect, interpret
597 and publish statistics relating to children and youths within the
598 department; (6) conduct studies of any program, service or facility
599 developed, operated, contracted for or supported by the department in
600 order to evaluate its effectiveness; (7) establish staff development and
601 other training and educational programs designed to improve the
602 quality of departmental services and programs, which shall include,
603 but not be limited to, training in the prevention, identification and
604 effects of family violence, provided no social worker trainee shall be
605 assigned a case load prior to completing training, and may establish
606 educational or training programs for children, youths, parents or other
607 interested persons on any matter related to the promotion of the
608 well-being of children, or the prevention of mental illness, emotional
609 disturbance, delinquency and other disabilities in children and youths;
610 (8) develop and implement aftercare and follow-up services
611 appropriate to the needs of any child or youth under the care of the
612 department; (9) establish a case audit unit to monitor each regional
613 office's compliance with regulations and procedures; (10) develop and

614 maintain a database listing available community service programs
615 funded by the department; (11) provide outreach and assistance to
616 persons caring for children whose parents are unable to do so by
617 informing such persons of programs and benefits for which they may
618 be eligible; and (12) collect data sufficient to identify the housing needs
619 of children served by the department and share such data with the
620 Department of Housing.

621 Sec. 516. Subsection (b) of section 17a-11 of the general statutes, as
622 amended by section 19 of public act 15-199, is repealed and the
623 following is substituted in lieu thereof (*Effective December 1, 2016*):

624 (b) A child or youth voluntarily admitted to the department shall be
625 deemed to be within the care of the commissioner until such admission
626 is terminated. The commissioner shall terminate the admission of any
627 child or youth voluntarily admitted to the department within ten days
628 after receipt of a written request for termination from a parent or
629 guardian of any child under fourteen years of age or from a child if
630 such child is fourteen years of age or older, or youth, unless prior to
631 the expiration of that time the commissioner has sought and received
632 from the Superior Court an order of temporary custody as provided by
633 law. Except as provided in subsection (i) of this section, the
634 commissioner may terminate the admission of any child or youth
635 voluntarily admitted to the department after (1) giving reasonable
636 notice in writing to (A) the parent or guardian of any child or youth,
637 and (B) the child if such child is fourteen years of age or older, or
638 youth, and (2) if the commissioner has previously petitioned the
639 Probate Court pursuant to subsection (c) of this section, providing
640 notice to the Probate Court of such petition. Any child or youth
641 admitted voluntarily to the department may be placed in, or
642 transferred to, any resource, facility or institution within the
643 department or available to the commissioner [except the Connecticut
644 Juvenile Training School,] provided the commissioner shall give
645 written notice to such child or youth and to the parent or guardian of
646 the child of the commissioner's intention to make a transfer at least ten

647 days prior to any actual transfer, unless written notice is waived by
648 those entitled to receive it, or unless an emergency commitment of
649 such child or youth is made pursuant to section 17a-502. Any child or
650 youth admitted voluntarily to the department may be transferred to
651 the supervision of the Department of Mental Health and Addiction
652 Services or the Department of Developmental Services, in collaboration
653 with the commissioner of the department to which the child is
654 transferred. The Commissioner of Children and Families shall provide
655 written notice of his or her intention to make a transfer at least ten
656 days prior to any actual transfer to a child fourteen years of age or
657 older, or youth, and to the parent or guardian of the child or youth
658 being transferred. If the department has previously filed a petition
659 with the Probate Court under subsection (c) of this section, the
660 commissioner shall provide notice of such petition to the court. The
661 Commissioner of Children and Families may continue to provide
662 services to the child or youth in collaboration with the department to
663 which the child or youth has been transferred or may terminate the
664 voluntary services if, in the commissioner's discretion, the department
665 to which the child or youth has been transferred provides adequate
666 services. The commissioner shall provide written notice of his or her
667 intention to terminate services following a transfer to another
668 department to a child fourteen years of age or older, or youth, and to
669 the parent or guardian of such child or youth. If the department has
670 previously filed a petition with the Probate Court under subsection (c)
671 of this section, the commissioner shall provide notice of such petition
672 to the court.

673 Sec. 517. Section 17a-12 of the general statutes, as amended by
674 section 26 of public act 15-14, is repealed and the following is
675 substituted in lieu thereof (*Effective December 1, 2016*):

676 (a) When the commissioner, or the commissioner's designee,
677 determines that a change of program is in the best interest of any child
678 or youth committed or transferred to the department, the
679 commissioner or the commissioner's designee, may transfer such

680 person to any appropriate resource or program administered by or
681 available to the department, to any other state department or agency,
682 or to any private agency or organization within or without the state
683 under contract with the department; provided [no child or youth
684 voluntarily admitted to the department under section 17a-11 shall be
685 placed or subsequently transferred to the Connecticut Juvenile
686 Training School; and further provided] no transfer shall be made to
687 any institution, hospital or facility under the jurisdiction of the
688 Department of Correction, except as authorized by section 18-87,
689 unless it is so ordered by the Superior Court after a hearing. When, in
690 the opinion of the commissioner, or the commissioner's designee, a
691 person fourteen years of age or older is dangerous to himself or herself
692 or others or cannot be safely held [at the Connecticut Juvenile Training
693 School, if a male, or] at any other facility within the state available to
694 the Commissioner of Children and Families, the commissioner, or the
695 commissioner's designee, may request an immediate hearing before
696 the Superior Court on the docket for juvenile matters where such
697 person was originally committed to determine whether such person
698 shall be transferred to the John R. Manson Youth Institution, Cheshire,
699 if a male, or the York Correctional Institution, if a female. The court
700 shall, within three days of the hearing, make such determination. If the
701 court orders such transfer, the transfer shall be reviewed by the court
702 every six months thereafter to determine whether it should be
703 continued or terminated, unless the commissioner has already
704 exercised the powers granted to the commissioner under section 17a-
705 13 by removing such person from the John R. Manson Youth
706 Institution, Cheshire or the York Correctional Institution. Such transfer
707 shall terminate upon the expiration of the commitment in such juvenile
708 matter.

709 (b) [Any delinquent child, if a male, may be placed at any time in
710 the Connecticut Juvenile Training School.] The commissioner may
711 transfer any child or youth committed to the commissioner to any
712 institution, hospital or facility for mentally ill children under the
713 commissioner's jurisdiction for a period not to exceed fifteen days if

714 the need for such emergency treatment is certified by a psychiatrist
715 licensed to practice medicine by the state.

716 Sec. 518. Section 17a-32 of the general statutes is repealed and the
717 following is substituted in lieu thereof (*Effective December 1, 2016*):

718 (a) The name of the Department of Children and Families facility at
719 Connecticut Valley Hospital in the city of Middletown shall be the
720 Albert J. Solnit Children's Center - South Campus.

721 [(b) The name of the Department of Children and Families facility in
722 the city of Middletown shall be the Connecticut Juvenile Training
723 School.]

724 [(c)] (b) The name of the Department of Children and Families
725 facility in the town of East Windsor shall be the Albert J. Solnit
726 Children's Center - North Campus.

727 [(d)] (c) The name of the Department of Children and Families
728 facility in the town of Hartland shall be the Wilderness School.

729 Sec. 519. Section 17a-185 of the general statutes is repealed and the
730 following is substituted in lieu thereof (*Effective December 1, 2016*):

731 Any officer of the state police or of an organized municipal police
732 department may transport, with the sole written consent of the person
733 transported, any person over sixteen years of age and less than
734 eighteen years of age who appears to be away from home without
735 permission of such person's parents or guardian or who appears to be
736 suffering from lack of food, shelter or medical care to any public or
737 private facility, provided institutions of the Department of Correction
738 [the Connecticut Juvenile Training School] and local police detention
739 facilities shall not be used for such purpose. The person or
740 organization to whom such person is transported shall, if practicable,
741 inform such person's parent or guardian of such person's whereabouts
742 within twelve hours. Such procedure shall be civil in nature, shall not
743 constitute an arrest and shall be made solely for the purpose of

744 safeguarding the interests and welfare of such person.

745 Sec. 520. Section 17a-201b of the general statutes is repealed and the
746 following is substituted in lieu thereof (*Effective December 1, 2016*):

747 Equal privileges shall be granted to clergymen of all religious
748 denominations to impart religious instruction to the inmates [of the
749 Connecticut Juvenile Training School, and] of each chartered or
750 incorporated institution to which any minor may be committed by any
751 court; and every reasonable opportunity shall be allowed such
752 clergymen to give such inmates, belonging to their respective
753 denominations, religious and moral instruction. The Commissioner of
754 Children and Families shall prescribe reasonable times and places, not
755 inconsistent with proper management, when and where such
756 instruction, which shall be open to all who choose to attend, may be
757 given.

758 Sec. 521. Subsection (b) of section 22a-1f of the general statutes is
759 repealed and the following is substituted in lieu thereof (*Effective*
760 *December 1, 2016*):

761 (b) Environmental impact evaluations shall not be required for [the
762 Connecticut Juvenile Training School project, as defined in subsection
763 (k) of section 4b-55, and the extension of such project otherwise known
764 as] the Connecticut River Interceptor Sewer Project, or a project, as
765 defined in subdivision (16) of section 10a-109c, which involves the
766 conversion of an existing structure for educational rather than office or
767 commercial use.

768 Sec. 522. Section 46b-140 of the general statutes, as amended by
769 section 1 of public act 15-58, is repealed and the following is
770 substituted in lieu thereof (*Effective December 1, 2016*):

771 (a) In determining the appropriate disposition of a child convicted
772 as delinquent, the court shall consider: (1) The seriousness of the
773 offense, including the existence of any aggravating factors such as the
774 use of a firearm in the commission of the offense and the impact of the

775 offense on any victim; (2) the child's record of delinquency; (3) the
776 child's willingness to participate in available programs; (4) the
777 existence of other mitigating factors; and (5) the culpability of the child
778 in committing the offense including the level of the child's
779 participation in the planning and carrying out of the offense.

780 (b) Upon conviction of a child as delinquent, the court: (1) May (A)
781 order the child to participate in an alternative incarceration program;
782 (B) order the child to participate in a program at a wilderness school
783 facility operated by the Department of Children and Families; (C)
784 order the child to participate in a youth service bureau program; (D)
785 place the child on probation; (E) order the child or the parents or
786 guardian of the child, or both, to make restitution to the victim of the
787 offense in accordance with subsection (d) of this section; (F) order the
788 child to participate in a program of community service in accordance
789 with subsection (e) of this section; or (G) withhold or suspend
790 execution of any judgment; and (2) shall impose the penalty
791 established in subsection (b) of section 30-89 for any violation of said
792 subsection (b).

793 (c) The court may order, as a condition of probation, that the child
794 (1) reside with a parent, relative or guardian or in a suitable foster
795 home or other residence approved by the court, (2) attend school and
796 class on a regular basis and comply with school policies on student
797 conduct and discipline, (3) refrain from violating any federal or state
798 law or municipal or local ordinance, (4) undergo any medical or
799 psychiatric evaluation or treatment deemed necessary by the court, (5)
800 submit to random drug or alcohol testing, or both, (6) participate in a
801 program of alcohol or drug treatment, or both, (7) make restitution to
802 the victim of the offense in accordance with subsection (d) of this
803 section, (8) participate in an alternative incarceration program or other
804 program established through the Court Support Services Division, (9)
805 participate in a program of community service, and (10) satisfy any
806 other conditions deemed appropriate by the court. The court shall
807 cause a copy of any such order to be delivered to the child, the child's

808 parents or guardian and the child's probation officer. If the child is
809 convicted as delinquent for a violation of section 53-247, the court may
810 order, as a condition of probation, that the child undergo psychiatric or
811 psychological counseling or participate in an animal cruelty
812 prevention and education program provided such a program exists
813 and is available to the child.

814 (d) If the child has engaged in conduct which results in property
815 damage or personal injury, the court may order the child or the parent
816 or parents or guardian of the child, if such parent or parents or
817 guardian had knowledge of and condoned the conduct of the child, or
818 both the child and the parent or parents or guardian, to make
819 restitution to the victim of such offense, provided the liability of such
820 parent or parents or guardian shall be limited to an amount not
821 exceeding the amount such parent or parents or guardian would be
822 liable for in an action under section 52-572. Restitution may consist of
823 monetary reimbursement for the damage or injury, based on the
824 child's or the parent's, parents' or guardian's ability to pay, as the case
825 may be, in the form of a lump sum or installment payments, paid to
826 the court clerk or such other official designated by the court for
827 distribution to the victim.

828 (e) The court may order the child to participate in a program of
829 community service under the supervision of the court or any
830 organization designated by the court. Such child shall not be deemed
831 to be an employee and the services of such child shall not be deemed
832 employment.

833 (f) If the court further finds that its probation services or other
834 services available to the court are not adequate for such child, the court
835 shall commit such child to the Department of Children and Families in
836 accordance with the provisions of section 46b-141.

837 (g) Any child or youth coming within the jurisdiction of the court,
838 who is found to be mentally ill, may be committed by said court to the
839 Commissioner of Children and Families and, if the court convicts a

840 child as delinquent and finds such child to be mentally deficient, the
841 court may commit such child to an institution for mentally deficient
842 children or youth or delinquents. No such commitment may be
843 ordered or continued for any child who has attained the age of twenty.
844 Whenever it is found that a child convicted as delinquent or adjudged
845 to be a member of a family with service needs would benefit from a
846 work-study program or employment with or without continued school
847 attendance, the court may, as a condition of probation or supervision,
848 authorize such child to be employed for part or full-time at some
849 useful occupation that would be favorable to such child's welfare, and
850 the probation officer shall supervise such employment. For the
851 purposes of this section, the limitations of subsection (a) of section 31-
852 23 on the employment of minors under the age of sixteen years shall
853 not apply for the duration of such probation or supervision.

854 (h) Whenever the court commits a child to the Department of
855 Children and Families, there shall be delivered with the mittimus a
856 copy of the results of the investigations made as required by section
857 46b-134. The court may, at any time, require from the department in
858 whose care a child has been placed such report as to such child and
859 such child's treatment.

860 (i) If the delinquent act for which the child is committed to the
861 Department of Children and Families is a serious juvenile offense, the
862 court may set a minimum period of twelve months during which the
863 child shall be placed in a residential facility operated by or under
864 contract with said department, as determined by the Commissioner of
865 Children and Families. No such commitment may be ordered or
866 continued for any child who has attained the age of twenty. The setting
867 of such minimum period shall be in the form of an order of the court
868 included in the mittimus. For good cause shown in the form of an
869 affidavit annexed thereto, the Department of Children and Families,
870 the parent or guardian of the child or the child may petition the court
871 for modification of any such order.

872 (j) Except as otherwise provided in this section, the court may order

873 that a child be (1) committed to the Department of Children and
874 Families and, after consultation with said department, the court may
875 order that the child be placed directly in a residential facility within
876 this state and under contract with said department, or (2) committed to
877 the Commissioner of Children and Families for placement by the
878 commissioner, in said commissioner's discretion, (A) with respect to
879 the juvenile offenders determined by the Department of Children and
880 Families to be the highest risk, [in the Connecticut Juvenile Training
881 School, if the juvenile offender is a male, or in another] in a state
882 facility, presumptively for a minimum period of twelve months, or (B)
883 in a private residential or day treatment facility within or outside this
884 state, or (C) on parole. No such commitment may be ordered or
885 continued for any child who has attained the age of twenty. The
886 commissioner shall use a risk and needs assessment classification
887 system to ensure that children who are in the highest risk level will be
888 placed in an appropriate secure treatment setting.

889 [(k) On or after May 21, 2004, no female child committed to the
890 Department of Children and Families shall be placed in the
891 Connecticut Juvenile Training School. Any female child placed in the
892 Connecticut Juvenile Training School before May 21, 2004, shall be
893 transferred to another appropriate facility not later than ninety days
894 after May 21, 2004.]

895 [(l)] (k) Notwithstanding any provisions of the general statutes
896 concerning the confidentiality of records and information, whenever a
897 child convicted as delinquent is committed to the Department of
898 Children and Families, the Commissioner of Children and Families
899 shall have access to the following information: (1) Educational records
900 of such child; (2) records regarding such child's past treatment for
901 physical or mental illness, including substance abuse; (3) records
902 regarding such child's prior placement in a public or private
903 residential facility; (4) records created or obtained by the Judicial
904 Department regarding such child; and (5) records, as defined in
905 subsection (a) of section 17a-28. The Commissioner of Children and

906 Families shall review such information to determine the appropriate
907 services and placement which will be in the best interest of the child.

908 Sec. 523. Subsection (e) of section 52-261a of the general statutes is
909 repealed and the following is substituted in lieu thereof (*Effective*
910 *December 1, 2016*):

911 (e) The following fees shall be allowed and paid, except to state
912 employees in the classified service: (1) For each arrest in criminal cases,
913 one dollar and fifty cents; (2) for any necessary assistants in making
914 criminal arrests, a reasonable sum, the necessity of such assistance to
915 be proved by the oath of the officer; (3) for travel with a prisoner to
916 court or to a community correctional center, forty cents a mile,
917 provided (A) if more than one prisoner is transported at the same time,
918 the total cost of travel shall be forty cents per mile for each prisoner
919 transported up to a maximum of two dollars per mile, regardless of the
920 number of prisoners transported, and (B) if a prisoner is transported
921 for commitment on more than one mittimus, the total cost of travel
922 shall be the same as for the transportation of one prisoner committed
923 on one mittimus only; (4) for holding a prisoner in custody upon
924 criminal process for each twelve hours or fraction thereof, to be taxed
925 as expenses in the case, one dollar; (5) for holding a prisoner in custody
926 by order of court, one dollar a day; (6) for keepers, for every twelve
927 hours, in lieu of all other expenses, except in special cases to be
928 approved by the court, five dollars; (7) for executing a mittimus of
929 commitment to the Connecticut Correctional Institution, Somers, for
930 each prisoner, one dollar and fifty cents; (8) for transporting any
931 prisoner from a community correctional center to the Connecticut
932 Correctional Institution, Somers, or for transporting any person under
933 commitment from a community correctional center to the John R.
934 Manson Youth Institution, Cheshire, twenty-five cents a mile, to be
935 taxed as expenses, provided, if more than one prisoner or person is
936 transported, the total cost of travel shall be twenty-five cents per mile
937 for each prisoner or person transported up to a maximum of one dollar
938 per mile, regardless of the number of prisoners or persons transported;

939 (9) for taking samples to a state chemist by order of court, two dollars,
940 and for each mile of travel in going and returning, ten cents; and [(10)
941 for service of a mittimus to commit to the Connecticut Juvenile
942 Training School, necessary expenses and a reasonable compensation;
943 and (11)] (10) for producing any prisoner, held by criminal process, in
944 court or before a judge under habeas corpus proceedings, twenty-five
945 cents a mile travel and two dollars and fifty cents a day for attendance,
946 to be taxed and allowed by the court or judge.

947 Sec. 524. Section 53-164 of the general statutes is repealed and the
948 following is substituted in lieu thereof (*Effective December 1, 2016*):

949 Any person who aids or abets any inmate in escaping from [the
950 Connecticut Juvenile Training School or] the Southbury Training
951 School or who knowingly harbors any such inmate, or aids in
952 abducting any such inmate who has been paroled from the person or
953 persons to whose care and service such inmate has been legally
954 committed, shall be fined not more than five hundred dollars or
955 imprisoned not more than three months or both. Any constable or
956 officer of state or local police, and any officer or employee of any of
957 said institutions, is authorized and directed to arrest any person who
958 has escaped therefrom and return such person thereto.

959 Sec. 525. Subsection (i) of section 4b-23 of the general statutes is
960 repealed and the following is substituted in lieu thereof (*Effective*
961 *December 1, 2016*):

962 (i) As used in this subsection, (1) "project" means any state program,
963 except the downtown Hartford higher education center project, as
964 defined in subsection [(l)] (k) of section 4b-55, as amended by this act,
965 requiring consultant services if the cost of such services is estimated to
966 exceed one hundred thousand dollars or, in the case of a constituent
967 unit of the state system of higher education, the cost of such services is
968 estimated to exceed three hundred thousand dollars, or in the case of a
969 building or premises under the supervision of the Office of the Chief
970 Court Administrator or property where the Judicial Department is the

971 primary occupant, the cost of such services is estimated to exceed three
972 hundred thousand dollars; (2) "consultant" means "consultant" as
973 defined in section 4b-55, as amended by this act; and (3) "consultant
974 services" means "consultant services" as defined in section 4b-55, as
975 amended by this act. Any contracts entered into by the Commissioner
976 of Administrative Services with any consultants for employment (A)
977 for any project under the provisions of this section, (B) in connection
978 with a list established under subsection (d) of section 4b-51, or (C) by
979 task letter issued by the Commissioner of Administrative Services to
980 any consultant on such list pursuant to which the consultant will
981 provide services valued in excess of one hundred thousand dollars,
982 shall be subject to the approval of the Properties Review Board prior to
983 the employment of such consultant or consultants by the
984 commissioner. The Properties Review Board shall, not later than thirty
985 days after receipt of such selection of or contract with any consultant,
986 approve or disapprove the selection of or contract with any consultant
987 made by the Commissioner of Administrative Services pursuant to
988 sections 4b-1 and 4b-55 to 4b-59, inclusive, as amended by this act. If
989 upon the expiration of the thirty-day period a decision has not been
990 made, the Properties Review Board shall be deemed to have approved
991 such selection or contract.

992 Sec. 526. Section 4b-91 of the general statutes is repealed and the
993 following is substituted in lieu thereof (*Effective December 1, 2016*):

994 (a) (1) As used in this section, "prequalification classification" means
995 the prequalification classifications established by the Commissioner of
996 Administrative Services pursuant to section 4a-100, "public agency"
997 has the same meaning as provided in section 1-200 and "awarding
998 authority" means the Department of Administrative Services, except
999 "awarding authority" means (A) the Joint Committee on Legislative
1000 Management, in the case of a contract for the construction of or work
1001 on a building or other public work under the supervision and control
1002 of the joint committee, or (B) the constituent unit of the state system of
1003 higher education, in the case of a contract for the construction of or

1004 work on a building or other public work under the supervision and
1005 control of such constituent unit.

1006 (2) Except as provided in subdivision (3) of this subsection, every
1007 contract for the construction, reconstruction, alteration, remodeling,
1008 repair or demolition of any public building or any other public work
1009 by the state that is estimated to cost more than five hundred thousand
1010 dollars shall be awarded to the lowest responsible and qualified
1011 general bidder who is prequalified pursuant to section 4a-100 on the
1012 basis of competitive bids in accordance with the procedures set forth in
1013 this chapter, after the awarding authority has invited such bids by
1014 posting notice on the State Contracting Portal. The awarding authority
1015 shall indicate the prequalification classification required for the
1016 contract in such notice.

1017 (3) The requirements set forth in subdivision (2) of this subsection
1018 shall not apply to (A) a public highway or bridge project or any other
1019 construction project administered by the Department of
1020 Transportation, or (B) a contract awarded by the Commissioner of
1021 Administrative Services for (i) any public building or other public
1022 works project administered by the Department of Administrative
1023 Services that is estimated to cost one million five hundred thousand
1024 dollars or less, (ii) a community court project, as defined in subsection
1025 (j) of section 4b-55, as amended by this act, (iii) the downtown
1026 Hartford higher education center project, as defined in subsection [(l)]
1027 (k) of section 4b-55, as amended by this act, (iv) a correctional facility
1028 project, as defined in subsection [(m)] (l) of section 4b-55, as amended
1029 by this act, (v) a juvenile detention center project, as defined in
1030 subsection [(n)] (m) of section 4b-55, as amended by this act, or (vi) a
1031 student residential facility for the Connecticut State University System
1032 that is a priority higher education facility project, as defined in
1033 subsection (f) of section 4b-55, as amended by this act.

1034 (4) Every contract for the construction, reconstruction, alteration,
1035 remodeling, repair or demolition of any public building or any other
1036 public work by a public agency that is paid for, in whole or in part,

1037 with state funds and that is estimated to cost more than five hundred
1038 thousand dollars shall be awarded to a bidder that is prequalified
1039 pursuant to section 4a-100 after the public agency has invited such bids
1040 by posting notice on the State Contracting Portal, except for (A) a
1041 public highway or bridge project or any other construction project
1042 administered by the Department of Transportation, or (B) any public
1043 building or other public works project administered by the
1044 Department of Administrative Services that is estimated to cost one
1045 million five hundred thousand dollars or less. The awarding authority
1046 or public agency, as the case may be, shall indicate the prequalification
1047 classification required for the contract in such notice.

1048 (5) (A) The Commissioner of Administrative Services may select
1049 contractors to be on lists established for the purpose of providing
1050 contractor services for the construction, reconstruction, alteration,
1051 remodeling, repair or demolition of any public building or other public
1052 works project administered by the Department of Administrative
1053 Services involving an expense to the state of one million five hundred
1054 thousand dollars or less. The commissioner shall use the
1055 prequalification classifications established pursuant to section 4a-100
1056 to determine the specific categories of services that contractors may
1057 perform after being selected in accordance with this subparagraph and
1058 subparagraph (B) of this subdivision and awarded a contract in
1059 accordance with subparagraph (C) of this subdivision. The
1060 commissioner may establish a separate list for projects involving an
1061 expense to the state of less than five hundred thousand dollars for the
1062 purpose of selecting and utilizing the services of small contractors and
1063 minority business enterprises, as such terms are defined in section 4a-
1064 60g.

1065 (B) The commissioner shall invite contractors to submit
1066 qualifications for each specific category of services sought by the
1067 department by posting notice of such invitation on the State
1068 Contracting Portal. The notice shall be in the form determined by the
1069 commissioner, and shall set forth the information that a contractor is

1070 required to submit to be considered for selection. Upon receipt of the
1071 submittal from the contractor, the commissioner shall select, for each
1072 specified category, those contractors who (i) are determined to be the
1073 most responsible and qualified, as such terms are defined in section 4b-
1074 92, to perform the work required under the specified category, (ii) have
1075 demonstrated the skill, ability and integrity to fulfill contract
1076 obligations considering their past performance, financial responsibility
1077 and experience with projects of the size, scope and complexity
1078 required by the state under the specified category, and (iii) for projects
1079 with a cost exceeding five hundred thousand dollars, have the ability
1080 to obtain the requisite bonding. The commissioner shall establish the
1081 duration that each list remains in effect, which in no event may exceed
1082 three years.

1083 (C) For any public building or public works project involving an
1084 expense to the state of one million five hundred thousand dollars or
1085 less, the commissioner shall invite bids from only those contractors
1086 selected pursuant to subparagraphs (A) and (B) of this subdivision for
1087 the specific category of services required for the particular project. The
1088 commissioner shall determine the form of bid invitation, the manner
1089 of, and time for, submission of bids, and the conditions and
1090 requirements of such bids. The contract shall be awarded to the lowest
1091 responsible and qualified bidder, subject to the provisions of sections
1092 4b-92 and 4b-94. In the event that fewer than three bids are received in
1093 response to an invitation to bid under this subdivision, or that all the
1094 bids are in excess of the amount of available funds for the project, the
1095 commissioner may negotiate a contract with any of the contractors
1096 submitting a bid, or reject the bids received and rebid the project in
1097 accordance with this section.

1098 (b) The awarding authority shall determine the manner of
1099 submission and the conditions and requirements of such bids, and the
1100 time within which the bids shall be submitted, consistent with the
1101 provisions of this section and sections 4b-92 to 4b-96, inclusive. Such
1102 award shall be made not later than ninety days after the opening of

1103 such bids. If the general bidder selected as the general contractor fails
1104 to perform the general contractor's agreement to execute a contract in
1105 accordance with the terms of the general contractor's general bid and
1106 furnish a performance bond and also a labor and materials or payment
1107 bond to the amount specified in the general bid form, an award shall
1108 be made to the next lowest responsible and qualified general bidder,
1109 or, in the case of a contract awarded by the Department of
1110 Administrative Services under subdivision (5) of subsection (a) of this
1111 section, to the bidder determined in accordance with said subdivision
1112 if fewer than three bids are received. No employee of an awarding
1113 authority with decision-making authority concerning the award of a
1114 contract and no public official, as defined in section 1-79, may
1115 communicate with any bidder prior to the award of the contract if the
1116 communication results in the bidder receiving information about the
1117 contract that is not available to other bidders, except that if the lowest
1118 responsible and qualified bidder's price submitted is in excess of funds
1119 available to make an award, the awarding authority may negotiate
1120 with such bidder and award the contract on the basis of the funds
1121 available, without change in the contract specifications, plans and
1122 other requirements. If the award of a contract on such basis is refused
1123 by such bidder, the awarding authority may negotiate with other
1124 contractors who submitted bids in ascending order of bid prices
1125 without change in the contract, specifications, plans and other
1126 requirements. In the event of negotiation with general bidders as
1127 provided in this section, the general bidder involved may negotiate
1128 with subcontractors on the same basis, provided such general bidder
1129 shall negotiate only with subcontractors named on such general
1130 bidder's general bid form.

1131 (c) No person may bid on a contract or perform work pursuant to a
1132 contract that is subject to the provisions of subsection (a) of this section
1133 unless the person is prequalified in accordance with section 4a-100.

1134 (d) Each bid submitted for a contract described in subsection (c) of
1135 this section shall include an update bid statement in such form as the

1136 Commissioner of Administrative Services prescribes and, if required
1137 by the public agency soliciting such bid, a copy of the prequalification
1138 certificate issued by the Commissioner of Administrative Services. The
1139 form for such update bid statement shall provide space for information
1140 regarding all projects completed by the bidder since the date the
1141 bidder's prequalification certificate was issued or renewed, all projects
1142 the bidder currently has under contract, including the percentage of
1143 work on such projects not completed, the names and qualifications of
1144 the personnel who will have supervisory responsibility for the
1145 performance of the contract, any significant changes in the bidder's
1146 financial position or corporate structure since the date the certificate
1147 was issued or renewed, any change in the contractor's qualification
1148 status as determined by the provisions of subdivision (6) of subsection
1149 (c) of section 4a-100 and such other relevant information as the
1150 Commissioner of Administrative Services prescribes. Any bid
1151 submitted without a copy of the prequalification certificate, if required
1152 by the public agency soliciting such bid, and an update bid statement
1153 shall be deemed invalid. Any public agency that accepts a bid
1154 submitted without a copy of such prequalification certificate, if
1155 required by such public agency soliciting such bid, and an update bid
1156 statement may become ineligible for the receipt of funds related to
1157 such bid.

1158 (e) Any person who bids on a contract described in subsection (c) of
1159 this section shall certify under penalty of false statement at the
1160 conclusion of the bidding process that the information in the bid is
1161 true, that there has been no substantial change in the bidder's financial
1162 position or corporate structure since the bidder's most recent
1163 prequalification certificate was issued or renewed, other than those
1164 changes noted in the update bid statement, and that the bid was made
1165 without fraud or collusion with any person.

1166 (f) Any person who receives information from a state employee or
1167 public official that is not available to the general public concerning any
1168 construction, reconstruction, alteration, remodeling, repair or

1169 demolition project on a public building or any other public work prior
1170 to the date that a notice for bids on the project is posted shall be
1171 disqualified from bidding on the project.

1172 (g) Notwithstanding the provisions of this chapter regarding
1173 competitive bidding procedures, the commissioner may select and
1174 interview at least three responsible and qualified general contractors
1175 who are prequalified pursuant to section 4a-100 and submit the three
1176 selected contractors to the construction services award panels process
1177 described in section 4b-100a and any regulation adopted by the
1178 commissioner. The commissioner may negotiate with the successful
1179 bidder a contract which is both fair and reasonable to the state for a
1180 community court project, as defined in subsection (j) of section 4b-55,
1181 as amended by this act, the downtown Hartford higher education
1182 center project, as defined in subsection [(l)] (k) of section 4b-55, as
1183 amended by this act, a correctional facility project, as defined in
1184 subsection [(m)] (l) of section 4b-55, as amended by this act, a juvenile
1185 detention center project, as defined in subsection [(n)] (m) of section
1186 4b-55, as amended by this act, or a student residential facility for the
1187 Connecticut State University System that is a priority higher education
1188 facility project, as defined in subsection (f) of section 4b-55, as
1189 amended by this act. The Commissioner of Administrative Services,
1190 prior to entering any such contract or performing any work on such
1191 project, shall submit such contract to the State Properties Review Board
1192 for review and approval or disapproval by the board, pursuant to
1193 subsection (i) of this section. Any general contractor awarded a
1194 contract pursuant to this subsection shall be subject to the same
1195 requirements concerning the furnishing of bonds as a contractor
1196 awarded a contract pursuant to subsection (b) of this section.

1197 (h) Any agency that seeks to have a project awarded without being
1198 subject to competitive bidding procedures shall certify to the joint
1199 committee of the General Assembly having cognizance of matters
1200 relating to government administration and elections that the project is
1201 of such an emergency nature that an exception to the competitive

1202 bidding procedures of this section is required. Such certification shall
1203 include input from all affected agencies, detail the need for the
1204 exception and include any relevant documentation.

1205 (i) In the event that the General Assembly approves legislation
1206 authorizing an exception to the competitive bidding process for a
1207 project, the State Properties Review Board shall complete a review of
1208 the contract for such project and approve or disapprove such contract
1209 no later than thirty days after the Commissioner of Administrative
1210 Services submits such contract to the board. Such review shall be
1211 conducted in accordance with the provisions of section 4b-3. In the
1212 event that such review does not occur within the thirty-day period
1213 prescribed by this subsection, such contract shall be deemed to be
1214 approved.

1215 (j) No person whose subcontract exceeds five hundred thousand
1216 dollars in value may perform work as a subcontractor on a project for
1217 the construction, reconstruction, alteration, remodeling, repair or
1218 demolition of any public building or any other public work by the state
1219 or a municipality, except a public highway or bridge project or any
1220 other construction project administered by the Department of
1221 Transportation, which project is estimated to cost more than five
1222 hundred thousand dollars and is paid for, in whole or in part, with
1223 state funds, unless, at the time of the bid submission, the person is
1224 prequalified in accordance with section 4a-100. The provisions of this
1225 subsection shall not apply to the downtown Hartford higher education
1226 center project, as defined in subsection [(l)] (k) of section 4b-55, as
1227 amended by this act.

1228 (k) Notwithstanding any provision of this chapter, the
1229 Commissioner of Administrative Services may purchase equipment,
1230 supplies, materials or other property or services under sections 4a-53
1231 and 4a-66 as required to fulfill his or her responsibilities under this
1232 chapter.

1233 Sec. 527. Section 17a-6c of the general statutes is repealed and the

1234 following is substituted in lieu thereof (*Effective December 1, 2016*):

1235 [(a)] On or before June 1, 2004, and annually thereafter, the
1236 Department of Children and Families shall report, in accordance with
1237 section 11-4a, to the joint standing committees of the General
1238 Assembly having cognizance of matters relating to criminal law,
1239 children and the Department of Children and Families on: (1) The
1240 number of adjudicated youths, by gender and age, in the care and
1241 custody of the department, (2) the facilities in which such youths are
1242 being housed, (3) the number, age and gender of such youths who
1243 have left department custody in an unauthorized manner, (4) the
1244 number of police reports filed with respect to such youths, and (5) the
1245 status of new construction or preparation of facilities to house
1246 adjudicated youths in the care and custody of the department.

1247 [(b) The report required by subsection (a) of this section shall be
1248 attached to the annual report required to be filed by the Commissioner
1249 of Children and Families pursuant to subsections (c) and (d) of section
1250 17a-6b.]

1251 Sec. 528. (*Effective from passage*) (a) The Commissioner of
1252 Developmental Services shall, in consultation with key stakeholders,
1253 develop a plan concerning state-operated intermediate care facilities
1254 for individuals with intellectual disabilities, which may include
1255 converting such facilities to a different purpose for the use of persons
1256 served by the Department of Developmental Services. In developing
1257 such plan, the commissioner shall consider the settlement agreement
1258 approved by the United States District Court for the District of
1259 Connecticut in the case of Messier vs. Southbury Training School in
1260 furtherance of a strategic timeline for such facilities.

1261 (b) Not later than October 1, 2016, the commissioner shall report, in
1262 accordance with the provisions of section 11-4a of the general statutes,
1263 to the joint standing committees of the General Assembly having
1264 cognizance of matters relating to appropriations and public health
1265 concerning the plan developed in accordance with subsection (a) of

1266 this section. Such report shall include, but need not be limited to: (1) A
1267 timeline for changing the purpose of such facilities; (2) a description of
1268 the commissioner's plan to (A) transition residents of such facilities to
1269 community-based settings, (B) meet the needs of all persons receiving
1270 or requiring services from the Department of Developmental Services,
1271 (C) address any environmental issues relating to the properties on
1272 which such facilities are located, (D) utilize such facilities for a new
1273 purpose, and (E) staff facilities and homes located in community-based
1274 settings; and (3) (A) a financial analysis of short-term and long-term
1275 costs and savings relating to the implementation of the plan, and (B) a
1276 description of resources needed to implement the plan.

1277 Sec. 529. (*Effective from passage*) Not later than July 1, 2016, the
1278 Secretary of the Office of Policy and Management shall issue a request
1279 for qualifications for the provision of health care services and
1280 behavioral health care services to inmates of the Department of
1281 Correction. The deadline for responses to such request shall be not
1282 later than sixty days after such issuance. Not later than January 1, 2017,
1283 the secretary shall report to the General Assembly a summary of the
1284 results of such request, including, but not limited to, the number of
1285 entities that submitted their qualifications in response to such request
1286 and the number of such entities the secretary determines are qualified
1287 to provide such services.

1288 Sec. 530. (NEW) (*Effective from passage*) (a) There is established a
1289 Commission on Overtime Expenditures. The commission shall study
1290 the overtime expenditures of state agencies and make
1291 recommendations for legislative actions to curtail such expenditures.

1292 (b) The commission shall consist of the following members:

1293 (1) The speaker of the House of Representatives, or the speaker's
1294 designee;

1295 (2) The president pro tempore of the Senate, or the president pro
1296 tempore's designee;

1297 (3) The majority leader of the House of Representatives, or the
1298 majority leader's designee;

1299 (4) The majority leader of the Senate, or the majority leader's
1300 designee;

1301 (5) The minority leader of the House of Representatives, or the
1302 minority leader's designee;

1303 (6) One person appointed by the minority leader of the House of
1304 Representatives;

1305 (7) The minority leader of the Senate, or the minority leader's
1306 designee; and

1307 (8) One person appointed by the minority leader of the Senate.

1308 (c) Any member of the commission designated or appointed under
1309 subsection (b) of this section may be a member of the General
1310 Assembly.

1311 (d) All appointments to the commission shall be made not later than
1312 thirty days after the effective date of this section. Any vacancy shall be
1313 filled by the appointing authority.

1314 (e) The speaker of the House of Representatives and the minority
1315 leader of the Senate shall select the chairpersons of the commission
1316 from among the members of the commission. Such chairpersons shall
1317 schedule the first meeting of the commission, which shall be held not
1318 later than sixty days after the effective date of this section.

1319 (f) The administrative staff of the joint standing committee of the
1320 General Assembly having cognizance of matters relating to
1321 appropriations and the budgets of state agencies shall serve as
1322 administrative staff of the commission.

1323 (g) (1) Commencing February 1, 2016, and monthly thereafter, each
1324 state agency shall report to the Office of Fiscal Analysis on its overtime

1325 expenditures for the previous month, including the amount of
1326 overtime expenditures per location, the type of overtime work that
1327 was undertaken and a detailed description of the need to accrue such
1328 overtime expenditures.

1329 (2) Not later than thirty days after receiving such reports on
1330 overtime expenditures, the Office of Fiscal Analysis shall prepare and
1331 submit a compilation of such reports, in accordance with the
1332 provisions of section 11-4a of the general statutes, to the commission
1333 and to the chairpersons and ranking members of the joint standing
1334 committee of the General Assembly having cognizance of matters
1335 relating to appropriations and the budgets of state agencies.

1336 (h) Not later than July 1, 2016, and quarterly thereafter, the
1337 commission shall submit a report on its findings and recommendations
1338 to the joint standing committee of the General Assembly having
1339 cognizance of matters relating to appropriations and the budgets of
1340 state agencies, in accordance with the provisions of section 11-4a of the
1341 general statutes.

1342 Sec. 531. (*Effective from passage*) (a) There is established the
1343 Bipartisan Commission on the Constitutional Spending Cap. The
1344 commission shall define "increase in personal income", "increase in
1345 inflation" and "general budget expenditures" for purposes of the
1346 general budget expenditures requirement pursuant to section 18 of
1347 article third of the Constitution of the state.

1348 (b) The commission shall consist of the following members:

1349 (1) The speaker of the House of Representatives, or the speaker's
1350 designee;

1351 (2) The president pro tempore of the Senate, or the president pro
1352 tempore's designee;

1353 (3) The majority leader of the House of Representatives, or the
1354 majority leader's designee;

1355 (4) The majority leader of the Senate, or the majority leader's
1356 designee;

1357 (5) The minority leader of the House of Representatives, or the
1358 minority leader's designee;

1359 (6) One person appointed by the minority leader of the House of
1360 Representatives;

1361 (7) The minority leader of the Senate, or the minority leader's
1362 designee; and

1363 (8) One person appointed by the minority leader of the Senate.

1364 (c) Any member of the commission designated or appointed under
1365 subsection (b) of this section may be a member of the General
1366 Assembly.

1367 (d) All appointments to the commission shall be made not later than
1368 December 15, 2015. Any vacancy shall be filled by the appointing
1369 authority.

1370 (e) The speaker of the House of Representatives and the minority
1371 leader of the Senate shall select the chairpersons of the commission
1372 from among the members of the commission. Such chairpersons shall
1373 schedule the first meeting of the commission, which shall be held not
1374 later than January 1, 2016.

1375 (f) Not later than February 1, 2016, the commission shall submit the
1376 definitions to the joint standing committee of the General Assembly
1377 having cognizance of matters relating to appropriations and the
1378 budgets of state agencies, in accordance with the provisions of section
1379 11-4a of the general statutes. Not later than February 15, 2016, such
1380 joint standing committee shall hold a public informational hearing on
1381 the definitions. Such joint standing committee may make
1382 recommendations for legislation relating to the definitions.

1383 (g) Not later than March 1, 2016, the General Assembly shall enact
1384 into law, by vote of at least three-fifths of the members of each
1385 chamber, legislation amending the general statutes to define "increase
1386 in personal income", "increase in inflation" and "general budget
1387 expenditures" as prescribed by the commission pursuant to this rule.

1388 Sec. 532. (*Effective from passage*) If the General Assembly has failed to
1389 adopt definitions implementing the constitutional spending cap by the
1390 required three-fifths vote on or before March 1, 2016, the following
1391 salary and other reductions in legislative benefits shall apply and shall
1392 remain in effect until such time as such definitions have been adopted
1393 by the General Assembly and signed by the Governor:

1394 (1) Notwithstanding the provisions of section 2-9 of the general
1395 statutes, the members and officers of the General Assembly shall
1396 receive salaries that are ten per cent less than the salaries specified in
1397 said section;

1398 (2) Notwithstanding the provisions of section 2-15 of the general
1399 statutes, no member of the General Assembly shall receive any
1400 transportation allowance;

1401 (3) Notwithstanding the provisions of section 2-15a of the general
1402 statutes, no member of the General Assembly shall be entitled to any
1403 unsolicited mailings at the expense of the state; and

1404 (4) No member of the General Assembly or legislative employee
1405 shall receive payment from the state for any expenses associated with
1406 or resulting from attendance at any conference or other meeting in this
1407 state or another state or for any other travel related expense.

1408 Sec. 533. Section 12-711 of the general statutes is repealed and the
1409 following is substituted in lieu thereof (*Effective from passage and*
1410 *applicable to taxable years commencing on or after January 1, 2016*):

1411 (a) The income of a nonresident natural person derived from or
1412 connected with sources within this state shall be the sum of the net

1413 amount of items of income, gain, loss and deduction entering into his
1414 or her Connecticut adjusted gross income for the taxable year, derived
1415 from or connected with sources within this state, including: (1) His or
1416 her distributive share of partnership income, gain, loss and deduction,
1417 determined under section 12-712; (2) his or her pro rata share of S
1418 corporation income, gain, loss and deduction, determined under
1419 section 12-712; (3) his or her share of estate or trust income, gain, loss
1420 and deduction, determined under section 12-714; and (4) his or her
1421 compensation from nonqualified deferred compensation plans
1422 attributable to services performed within [the] this state, including, but
1423 not limited to, compensation required to be included in federal gross
1424 income under Section 457A of the Internal Revenue Code.

1425 (b) (1) Items of income, gain, loss and deduction derived from or
1426 connected with sources within this state shall be those items
1427 attributable to: (A) The ownership or disposition of any interest in real
1428 property in this state or tangible personal property in this state, as
1429 determined pursuant to subdivision [(5)] (6) of this subsection; (B) a
1430 business, trade, profession or occupation carried on in this state; (C) in
1431 the case of a shareholder of an S corporation, the ownership of shares
1432 issued by such corporation, to the extent determined under section 12-
1433 712; or (D) winnings from a wager placed in a lottery conducted by the
1434 Connecticut Lottery Corporation, if the proceeds from such wager are
1435 required, under the Internal Revenue Code or regulations adopted
1436 thereunder, to be reported by the Connecticut Lottery Corporation to
1437 the Internal Revenue Service.

1438 (2) (A) Before, on and after the effective date of this section, income
1439 from a business, trade, profession or occupation carried on in this state
1440 includes, but is not limited to, compensation paid to a nonresident
1441 natural person for rendering personal services as an employee in this
1442 state. For taxable years commencing on or after January 1, 2016,
1443 compensation for personal services rendered in this state by such
1444 nonresident employee who is present in this state for not more than
1445 fifteen days during a taxable year shall not constitute income derived

1446 from sources within this state. If a nonresident employee is present in
1447 this state for more than fifteen days during a taxable year, all
1448 compensation the employee receives for the rendering of all personal
1449 services in this state during the taxable year shall constitute income
1450 derived from sources within this state during the taxable year.

1451 (B) For purposes of determining whether a nonresident employee is
1452 "present in this state" under subparagraph (A) of this subdivision,
1453 presence in this state for any part of a day constitutes being present in
1454 this state for that entire day unless such presence is solely for the
1455 purpose of transit through this state. The provisions of this
1456 subparagraph shall not apply to subsection (c) of this section or to any
1457 other provision of law unless expressly provided.

1458 (C) The provisions of this subdivision shall not apply to sources of
1459 income from a business, trade, profession, or occupation carried on in
1460 this state other than compensation for personal services rendered by a
1461 nonresident employee, and shall not apply to sources of income
1462 derived by an athlete, entertainer or performing artist, including, but
1463 not limited to, a member of an athletic team.

1464 ~~[(2)]~~ (3) Income from intangible personal property, including
1465 annuities, dividends, interest and gains from the disposition of
1466 intangible personal property, shall constitute income derived from
1467 sources within this state only to the extent that such income is from (A)
1468 property employed in a business, trade, profession or occupation
1469 carried on in this state, or (B) winnings from a wager placed in a
1470 lottery conducted by the Connecticut Lottery Corporation, if the
1471 proceeds from such wager are required, under the Internal Revenue
1472 Code or regulations adopted thereunder, to be reported by the
1473 Connecticut Lottery Corporation to the Internal Revenue Service.

1474 ~~[(3)]~~ (4) Deductions with respect to capital losses and net operating
1475 losses shall be based solely on income, gain, loss and deduction
1476 derived from or connected with sources within this state, under
1477 regulations adopted by the commissioner, but otherwise shall be

1478 determined in the same manner as the corresponding federal
1479 deductions.

1480 [(4)] (5) Income directly or indirectly derived by an athlete,
1481 entertainer or performing artist, including, but not limited to, a
1482 member of an athletic team, from closed-circuit and cable television
1483 transmissions of an event, other than events occurring on a regularly
1484 scheduled basis, taking place within this state as a result of the
1485 rendition of services by such athlete, entertainer or performing artist
1486 shall constitute income derived from or connected with sources within
1487 this state only to the extent that such transmissions were received or
1488 exhibited within this state.

1489 [(5)] (6) For purposes of subparagraph (A) of subdivision (1) of this
1490 subsection, "real property in this state" includes an interest in an entity,
1491 and "entity" means a partnership, limited liability company or S
1492 corporation that owns real property that is located within this state
1493 and has a fair market value that equals or exceeds fifty per cent of all
1494 the assets of the entity on the date of sale or disposition by a
1495 nonresident natural person of such person's interest in the entity. Only
1496 those assets that the entity owned for at least two years prior to the
1497 date of the sale or disposition of the person's interest in the entity shall
1498 be used in determining the fair market value of all the assets of the
1499 entity on the date of such sale or disposition. The gain or loss derived
1500 from Connecticut sources from such person's sale or disposition of an
1501 interest in such entity is the total gain or loss for federal income tax
1502 purposes from such sale or disposition multiplied by a fraction, the
1503 numerator of which is the fair market value of all real property located
1504 in this state owned by the entity on the date of such sale or disposition,
1505 and the denominator of which is the fair market value of all the assets
1506 of the entity on the date of such sale or disposition.

1507 (c) (1) If a business, trade, profession or occupation is carried on
1508 partly within and partly without this state, as determined under rules
1509 or regulations of the commissioner, the items of income, gain, loss and
1510 deduction derived from or connected with sources within this state

1511 shall be determined by apportionment under such rules or regulations
1512 and the provisions of this subsection.

1513 (2) The proportion of the net amount of the items of income, gain,
1514 loss and deduction attributable to the activities of the business, trade,
1515 profession or occupation carried on in this state shall be determined by
1516 multiplying the net amount of the items of income, gain, loss and
1517 deduction of the business, trade, profession or occupation by the
1518 average of the percentages of property, payroll and gross income in
1519 this state. The gross income percentage shall be computed by dividing
1520 the gross receipts from sales of property or services earned within this
1521 state by the total gross receipts from sales of property or services,
1522 whether earned within or without this state. Gross receipts from sales
1523 of property are considered to be earned within this state when the
1524 property is delivered or shipped to a purchaser within this state,
1525 regardless of the F.O.B. point or other conditions of the sale. Gross
1526 receipts from sales of services are considered to be earned within [the]
1527 this state when the services are performed by an employee, agent,
1528 agency or independent contractor chiefly situated at, connected by
1529 contract or otherwise, with or sent out from, offices or branches of the
1530 business, trade, profession or occupation or other agencies or locations
1531 situated within this state.

1532 (d) Compensation paid by the United States for active service in the
1533 armed forces of the United States, performed by an individual not
1534 domiciled in this state, shall not constitute income derived from
1535 sources within this state.

1536 (e) If a husband and wife determine their federal income tax on a
1537 joint return but are required to determine their Connecticut income
1538 taxes separately, they shall determine their incomes derived from or
1539 connected with sources within this state separately as if their federal
1540 adjusted gross incomes had been determined separately.

1541 (f) Any nonresident, other than a dealer holding property primarily
1542 for sale to customers in the ordinary course of his trade or business,

1543 shall not be deemed to carry on a trade, business, profession or
1544 occupation in this state solely by reason of the purchase or sale of
1545 intangible property or the purchase, sale or writing of stock option
1546 contracts, or both, for his own account.

1547 Sec. 534. Subdivision (2) of subsection (b) of section 12-587 of the
1548 general statutes is repealed and the following is substituted in lieu
1549 thereof (*Effective from passage and applicable to first sales made on or after*
1550 *December 1, 2015*):

1551 (2) Gross earnings derived from the first sale of the following
1552 petroleum products within this state shall be exempt from tax: (A) Any
1553 petroleum products sold for exportation from this state for sale or use
1554 outside this state; (B) the product designated by the American Society
1555 for Testing and Materials as "Specification for Heating Oil D396-69",
1556 commonly known as number 2 heating oil, to be used exclusively for
1557 heating purposes or to be used in a commercial fishing vessel, which
1558 vessel qualifies for an exemption pursuant to section 12-412; (C)
1559 kerosene, commonly known as number 1 oil, to be used exclusively for
1560 heating purposes, provided delivery is of both number 1 and number 2
1561 oil, and via a truck with a metered delivery ticket to a residential
1562 dwelling or to a centrally metered system serving a group of
1563 residential dwellings; (D) the product identified as propane gas, to be
1564 used [exclusively] primarily for heating purposes; (E) bunker fuel oil,
1565 intermediate fuel, marine diesel oil and marine gas oil to be used in
1566 any vessel (i) having a displacement exceeding four thousand dead
1567 weight tons, or (ii) primarily engaged in interstate commerce; (F) for
1568 any first sale occurring prior to July 1, 2008, propane gas to be used as
1569 a fuel for a motor vehicle; (G) for any first sale occurring on or after
1570 July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted
1571 pursuant to section 16a-22c, to be used exclusively by a company
1572 which, in accordance with census data contained in the Standard
1573 Industrial Classification Manual, United States Office of Management
1574 and Budget, 1987 edition, is included in code classifications 2000 to
1575 3999, inclusive, or in Sector 31, 32 or 33 in the North American

1576 Industrial Classification System United States Manual, United States
1577 Office of Management and Budget, 1997 edition; (H) for any first sale
1578 occurring on or after July 1, 2002, number 2 heating oil to be used
1579 exclusively in a vessel primarily engaged in interstate commerce,
1580 which vessel qualifies for an exemption under section 12-412; (I) for
1581 any first sale occurring on or after July 1, 2000, paraffin or
1582 microcrystalline waxes; (J) for any first sale occurring prior to July 1,
1583 2008, petroleum products to be used as a fuel for a fuel cell, as defined
1584 in subdivision (113) of section 12-412; (K) a commercial heating oil
1585 blend containing not less than ten per cent of alternative fuels derived
1586 from agricultural produce, food waste, waste vegetable oil or
1587 municipal solid waste, including, but not limited to, biodiesel or low
1588 sulfur dyed diesel fuel; (L) for any first sale occurring on or after July 1,
1589 2007, diesel fuel other than diesel fuel to be used in an electric
1590 generating facility to generate electricity; (M) for any first sale
1591 occurring on or after July 1, 2013, cosmetic grade mineral oil; or (N)
1592 propane gas to be used as a fuel for a school bus.

1593 Sec. 535. Subsection (a) of section 12-217g of the general statutes is
1594 repealed and the following is substituted in lieu thereof (*Effective*
1595 *January 1, 2016, and applicable to taxable and income years commencing on*
1596 *or after January 1, 2016*):

1597 (a) (1) There shall be allowed a credit for any taxpayer against the
1598 tax imposed under this chapter for any income year with respect to
1599 each apprenticeship in the manufacturing trades commenced by such
1600 taxpayer in such year under a qualified apprenticeship training
1601 program as described in this section, certified in accordance with
1602 regulations adopted by the Labor Commissioner and registered with
1603 the Connecticut State Apprenticeship Council established under
1604 section 31-22n, in an amount equal to six dollars per hour multiplied
1605 by the total number of hours worked during the income year by
1606 apprentices in the first half of a two-year term of apprenticeship and
1607 the first three-quarters of a four-year term of apprenticeship, provided
1608 the amount of credit allowed for any income year with respect to each

1609 such apprenticeship may not exceed seven thousand five hundred
1610 dollars or fifty per cent of actual wages paid in such income year to an
1611 apprentice in the first half of a two-year term of apprenticeship or in
1612 the first three-quarters of a four-year term of apprenticeship,
1613 whichever is less.

1614 (2) Effective for income years commencing on and after January 1,
1615 2015, for purposes of this subsection, "taxpayer" includes an affected
1616 business entity, as defined in section 12-284b. Any affected business
1617 entity allowed a credit under this subsection may sell, assign or
1618 otherwise transfer such credit, in whole or in part, to one or more
1619 taxpayers to offset any state tax due or otherwise payable by such
1620 taxpayers under chapter 208, or, with respect to income years
1621 commencing on or after January 1, 2016, chapter 212 or 227, provided
1622 such credit may be sold, assigned or otherwise transferred, in whole or
1623 in part, not more than three times.

1624 Sec. 536. Section 12-217zz of the general statutes, as amended by
1625 section 88 of public act 15-244, is repealed and the following is
1626 substituted in lieu thereof (*Effective from passage*):

1627 (a) Notwithstanding any other provision of law, and except as
1628 otherwise provided in subsection (b) of this section, the amount of tax
1629 credit or credits otherwise allowable against the tax imposed under
1630 this chapter shall be as follows:

1631 (1) For any income year commencing on or after January 1, 2002,
1632 and prior to January 1, 2015, the amount of tax credit or credits
1633 otherwise allowable shall not exceed seventy per cent of the amount of
1634 tax due from such taxpayer under this chapter with respect to any such
1635 income year of the taxpayer prior to the application of such credit or
1636 credits.

1637 (2) For any income year commencing on or after January 1, 2015, the
1638 amount of tax credit or credits otherwise allowable shall not exceed
1639 fifty and one one-hundredths per cent of the amount of tax due from

1640 such taxpayer under this chapter with respect to any such income year
1641 of the taxpayer prior to the application of such credit or credits.

1642 (3) Notwithstanding the provisions of subdivision (2) of this
1643 subsection, any taxpayer that possesses excess credits may utilize the
1644 excess credits as follows:

1645 (A) For income years commencing on or after January 1, 2016, and
1646 prior to January 1, 2017, the aggregate amount of tax credits and excess
1647 credits allowable shall not exceed fifty-five per cent of the amount of
1648 tax due from such taxpayer under this chapter with respect to any such
1649 income year of the taxpayer prior to the application of such credit or
1650 credits;

1651 (B) For income years commencing on or after January 1, 2017, and
1652 prior to January 1, 2018, the aggregate amount of tax credits and excess
1653 credits allowable shall not exceed sixty per cent of the amount of tax
1654 due from such taxpayer under this chapter with respect to any such
1655 income year of the taxpayer prior to the application of such credit or
1656 credits;

1657 (C) For income years commencing on or after January 1, 2018, and
1658 prior to January 1, 2019, the aggregate amount of tax credits and excess
1659 credits allowable shall not exceed sixty-five per cent of the amount of
1660 tax due from such taxpayer under this chapter with respect to any such
1661 income year of the taxpayer prior to the application of such credit or
1662 credits;

1663 (D) For income years commencing on or after January 1, 2019, the
1664 aggregate amount of tax credits and excess credits allowable shall not
1665 exceed seventy per cent of the amount of tax due from such taxpayer
1666 under this chapter with respect to any such income year of the
1667 taxpayer prior to the application of such credit or credits.

1668 (4) For purposes of this subsection, "excess credits" means any
1669 remaining credits available under section 12-217j, 12-217n or 32-9t after
1670 tax credits are utilized in accordance with subdivision (2) of this

1671 subsection.

1672 (b) (1) For an income year commencing on or after January 1, 2011,
1673 and prior to January 1, 2013, the amount of tax credit or credits
1674 otherwise allowable against the tax imposed under this chapter for
1675 such income year may exceed the amount specified in subsection (a) of
1676 this section only by the amount computed under subparagraph (A) of
1677 subdivision (2) of this subsection, provided in no event may the
1678 amount of tax credit or credits otherwise allowable against the tax
1679 imposed under this chapter for such income year exceed one hundred
1680 per cent of the amount of tax due from such taxpayer under this
1681 chapter with respect to such income year of the taxpayer prior to the
1682 application of such credit or credits.

1683 (2) (A) The taxpayer's average monthly net employee gain for an
1684 income year shall be multiplied by six thousand dollars.

1685 (B) The taxpayer's average monthly net employee gain for an
1686 income year shall be computed as follows: For each month in the
1687 taxpayer's income year, the taxpayer shall subtract from the number of
1688 its employees in this state on the last day of such month the number of
1689 its employees in this state on the first day of its income year. The
1690 taxpayer shall total the differences for the twelve months in such
1691 income year, and such total, when divided by twelve, shall be the
1692 taxpayer's average monthly net employee gain for the income year. For
1693 purposes of this computation, only employees who are required to
1694 work at least thirty-five hours per week and only employees who were
1695 not employed in this state by a related person, as defined in section 12-
1696 217ii, within the twelve months prior to the first day of the income
1697 year may be taken into account in computing the number of
1698 employees.

1699 (C) If the taxpayer's average monthly net employee gain is zero or
1700 less than zero, the taxpayer may not exceed the seventy per cent limit
1701 imposed under subsection (a) of this section.

1702 Sec. 537. Subsection (c) of section 12-263b of the general statutes, as
1703 amended by section 89 of public act 15-244, is repealed and the
1704 following is substituted in lieu thereof (*Effective from passage and*
1705 *applicable to calendar quarters commencing on or after January 1, 2016*):

1706 (c) Notwithstanding any other provision of law, for each calendar
1707 quarter commencing on or after July 1, 2015, and prior to January 1,
1708 2016, the amount of tax credit or credits otherwise allowable against
1709 the [tax imposed under this chapter] taxes imposed under sections 12-
1710 263a to 12-263e, inclusive, and section 172 of public act 15-244, as
1711 amended by public act 15-5 of the June special session, shall not exceed
1712 fifty and one one-hundredths per cent of the amount of tax due [from
1713 such hospital under this chapter] under sections 12-263a to 12-263e,
1714 inclusive, and section 172 of public act 15-244, as amended by public
1715 act 15-5 of the June special session, with respect to such calendar
1716 quarter prior to the application of such credit or credits. For each
1717 calendar quarter commencing on or after January 1, 2016, and prior to
1718 January 1, 2017, the amount of tax credit or credits otherwise allowable
1719 against the taxes imposed under sections 12-263a to 12-263e, inclusive,
1720 and section 172 of public act 15-244, as amended by public act 15-5 of
1721 the June special session, shall not exceed fifty-five per cent of the
1722 amount of tax due under sections 12-263a to 12-263e, inclusive, and
1723 section 172 of public act 15-244, as amended by public act 15-5 of the
1724 June special session, with respect to such calendar quarter prior to the
1725 application of such credit or credits. For each calendar quarter
1726 commencing on or after January 1, 2017, and prior to January 1, 2018,
1727 the amount of tax credit or credits otherwise allowable against the
1728 taxes imposed under sections 12-263a to 12-263e, inclusive, and section
1729 172 of public act 15-244, as amended by public act 15-5 of the June
1730 special session, shall not exceed sixty per cent of the amount of tax due
1731 under sections 12-263a to 12-263e, inclusive, and section 172 of public
1732 act 15-244, as amended by public act 15-5 of the June special session,
1733 with respect to such calendar quarter prior to the application of such
1734 credit or credits. For each calendar quarter commencing on or after
1735 January 1, 2018, and prior to January 1, 2019, the amount of tax credit

1736 or credits otherwise allowable against the taxes imposed under
1737 sections 12-263a to 12-263e, inclusive, and section 172 of public act 15-
1738 244, as amended by public act 15-5 of the June special session, shall not
1739 exceed sixty-five per cent of the amount of tax due under sections 12-
1740 263a to 12-263e, inclusive, and section 172 of public act 15-244, as
1741 amended by public act 15-5 of the June special session, with respect to
1742 such calendar quarter prior to the application of such credit or credits.
1743 For each calendar quarter commencing on or after January 1, 2019, the
1744 amount of tax credit or credits otherwise allowable against the taxes
1745 imposed under sections 12-263a to 12-263e, inclusive, and section 172
1746 of public act 15-244, as amended by public act 15-5 of the June special
1747 session, shall not exceed seventy per cent of the amount of tax due
1748 under sections 12-263a to 12-263e, inclusive, and section 172 of public
1749 act 15-244, as amended by public act 15-5 of the June special session,
1750 with respect to such calendar quarter prior to the application of such
1751 credit or credits.

1752 Sec. 538. (NEW) (*Effective from passage and applicable to assessment*
1753 *years commencing on or after October 1, 2015*) (a) As used in this section:

1754 (1) "Average increase in assessed value" means, for the assessment
1755 years commencing October 1, 2012, October 1, 2013, and October 1,
1756 2014, the average of the increase in assessed value of commercial and
1757 industrial property, and personal property used exclusively for
1758 commercial or industrial purposes;

1759 (2) "Base year" means the assessment year commencing October 1,
1760 2014;

1761 (3) "Increase from the base year" means the assessed value of
1762 commercial or industrial property for the current assessment year plus
1763 the current assessment year assessed value of any personal property
1764 acquired after the base year to be used exclusively for commercial or
1765 industrial purposes, less the assessed value of the commercial or
1766 industrial property for the base year; and

1767 (4) "Improvement to commercial or industrial property" or
1768 "improvement" includes, but is not limited to, any personal property
1769 acquired after the base year and used exclusively for commercial or
1770 industrial purposes.

1771 (b) (1) Notwithstanding any provision of the general statutes or any
1772 special act, charter or home rule ordinance, a municipality that
1773 contains an enterprise zone designated pursuant to section 32-70 of the
1774 general statutes may, by vote of its legislative body, or in a
1775 municipality where the legislative body is a town meeting, by vote of
1776 the board of selectmen, provide that, for improvements to commercial
1777 or industrial property that result in an increase from the base year, (A)
1778 the assessment of such improvement shall be reduced as provided in
1779 subparagraph (B) of subdivision (2) of this subsection, and (B) the
1780 increase in tax revenue attributable to such improvement shall be
1781 allocated to reduce the assessments and total tax imposed on
1782 commercial and industrial properties located within the municipality
1783 as provided in subparagraph (C) of subdivision (2) of this subsection.
1784 The reduced assessments and allocations shall continue until the
1785 earlier of (i) the assessment year in which the mill rate for the
1786 municipality is not more than ten per cent greater than the average
1787 regional mill rate calculated pursuant to subdivision (2) of this
1788 subsection, or (ii) a date determined by such vote of the legislative
1789 body or the board of selectmen.

1790 (2) (A) The tax collector of any municipality that has voted to reduce
1791 assessments pursuant to subdivision (1) of this subsection shall
1792 annually calculate the average regional mill rate based on the average
1793 mill rate of the planning region of the state, as designated under the
1794 provisions of section 16a-4a of the general statutes, in which the
1795 municipality is located.

1796 (B) With respect to an improvement to commercial or industrial
1797 property that results in an increase from the base year of at least ten
1798 thousand dollars, the assessor of such municipality shall annually (i)
1799 determine the amount of the current assessment year increase in

1800 assessed value of the property that exceeds the average increase in
1801 assessed value with respect to the property, and (ii) reduce the
1802 assessment of the amount determined under clause (i) of this
1803 subparagraph to an amount that yields a total tax on such amount
1804 equal to the tax that would be imposed at the applicable average
1805 regional mill rate.

1806 (C) Each such municipality shall allocate tax revenue attributable to
1807 such improvements to reduce the assessments and total tax imposed
1808 on each commercial and industrial property located within the
1809 municipality, or located within the neighborhood revitalization zone in
1810 which the improved property is located, that is not subject to any other
1811 form of property tax relief and that has a total assessment of less than
1812 fifteen million dollars, except that such municipality may retain the
1813 amount equal to the average increase in assessed value on such
1814 commercial and industrial properties, and may retain an additional
1815 twenty per cent of the current assessment year increase in assessed
1816 value that is in excess of the average increase in assessed value.

1817 (c) The assessor of any municipality that has voted to reduce
1818 assessments pursuant to subdivision (1) of subsection (b) of this section
1819 shall calculate assessed values under this section without regard to any
1820 revaluation of real property that takes place on or after the date of such
1821 vote.

1822 Sec. 539. Section 12-217v of the general statutes is repealed and the
1823 following is substituted in lieu thereof (*Effective from passage and*
1824 *applicable to taxable years commencing on or after January 1, 2017*):

1825 (a) As used in this section: ["qualifying corporation" means a
1826 corporation which is created]

1827 (1) "Qualifying corporation" means a corporation which is:

1828 (A) Created on or after January 1, 1997, in an enterprise zone and
1829 which either [(1)] (i) has at least three hundred seventy-five employees,
1830 at least forty per cent of whom [(A)] (I) are residents of the enterprise

1831 zone or the municipality in which the enterprise zone is located, and
1832 [(B)] (II) qualify under the Job Training Partnership Act, or [(2)] (ii) has
1833 less than three hundred seventy-five employees, at least one hundred
1834 fifty employees of whom [(A)] (I) are residents of the enterprise zone
1835 or the municipality in which the enterprise zone is located, and [(B)]
1836 (II) qualify under the Job Training Partnership Act; or

1837 (B) Created on or after July 1, 2015, in an enterprise zone, and which
1838 is primarily engaged in bioscience, clean technology or cybersecurity
1839 technology, which either (i) has at least one hundred eighty-eight
1840 employees, at least forty per cent of whom (I) are residents of the
1841 enterprise zone or the municipality in which the enterprise zone is
1842 located, and (II) qualify under the Job Training Partnership Act, or (ii)
1843 has less than one hundred eighty-eight employees, at least seventy-five
1844 employees of whom (I) are residents of the enterprise zone or the
1845 municipality in which the enterprise zone is located, and (II) qualify
1846 under the Job Training Partnership Act;

1847 (2) "Bioscience" means (A) the manufacture of pharmaceuticals,
1848 medicines, medical equipment, medical devices and analytical
1849 laboratory instruments, (B) the operation of medical or diagnostic
1850 testing laboratories, or (C) the conducting of pure research and
1851 development in life sciences;

1852 (3) "Clean technology" means the production, manufacture, design,
1853 research or development of clean energy, green buildings, smart grid,
1854 high-efficiency transportation vehicles and alternative fuels,
1855 environmental products, environmental remediation and pollution
1856 prevention; and

1857 (4) "Cybersecurity technology" means information technology
1858 products or goods intended to detect or prevent activity intended to
1859 result in unauthorized access to, exfiltration of, manipulation of, or
1860 impairment to the integrity, confidentiality or availability of an
1861 information technology system or information stored on, or transiting,
1862 an information technology system.

1863 (b) There shall be allowed as a credit against the tax imposed [on
1864 any corporation] under this chapter on any corporation described in
1865 subparagraph (A) of subdivision (1) of subsection (a) of this section
1866 which is created on or after January 1, 1997, in an enterprise zone, or
1867 any corporation described in subparagraph (B) of subdivision (1) of
1868 subsection (a) of this section which is created on or after July 1, 2015, in
1869 an enterprise zone in an amount equal to (1) one hundred per cent of
1870 the tax liability of the corporation under said chapter with respect to
1871 the first three taxable years of the corporation, and (2) fifty per cent of
1872 the tax liability of the corporation under this chapter with respect to
1873 the next seven taxable years of the corporation.

1874 Sec. 540. Section 139 of public act 15-244, as amended by sections
1875 139, 142 and 143 of public act 15-5 of the June special session, is
1876 repealed and the following is substituted in lieu thereof (*Effective*
1877 *January 1, 2016, and applicable to income years commencing on or after said*
1878 *date*):

1879 (a) For purposes of this section, section 140 of [this act] public act 15-
1880 244 and chapter 208 of the general statutes, the combined group's net
1881 income shall be the aggregate net income or loss of each taxable
1882 member and nontaxable member of the combined group derived from
1883 a unitary business, which shall be determined as follows:

1884 (1) For any member incorporated in the United States, included in a
1885 consolidated federal corporate income tax return and filing a federal
1886 corporate income tax return, the income to be included in calculating
1887 the combined group's net income shall be such member's gross
1888 income, less the deductions provided under section 12-217 of the
1889 general statutes, as amended by [this act] public act 15-244, as if the
1890 member were not consolidated for federal tax purposes.

1891 (2) For any member not included in a consolidated federal corporate
1892 income tax return but required to file its own federal corporate income
1893 tax return, the income to be included in calculating the combined
1894 group's net income shall be such member's gross income, less the

1895 deductions provided under section 12-217 of the general statutes, as
1896 amended by [this act] public act 15-244, public act 15-5 of June special
1897 session and this act.

1898 (3) For any member not incorporated in the United States, not
1899 included in a consolidated federal corporate income tax return and not
1900 required to file its own federal corporate income tax return, the income
1901 to be included in the combined group's net income shall be determined
1902 from a profit and loss statement that shall be prepared for each foreign
1903 branch or corporation in the currency in which the books of account of
1904 the branch or corporation are regularly maintained, adjusted to
1905 conform it to the accounting principles generally accepted in the
1906 United States for the presentation of such statements and further
1907 adjusted to take into account any book-tax differences required by
1908 federal or Connecticut law. The profit and loss statement of each such
1909 member of the combined group and the apportionment factors related
1910 thereto, whether United States or foreign, shall be translated into or
1911 from the currency in which the parent company maintains its books
1912 and records on any reasonable basis consistently applied on a year-to-
1913 year or entity-by-entity basis. Income shall be expressed in United
1914 States dollars. In lieu of these procedures and subject to the
1915 determination of the commissioner that the income to be reported
1916 reasonably approximates income as determined under chapter 208 of
1917 the general statutes and sections 139 to 141, inclusive, of public act 15-
1918 244, as amended by public act 15-5 of the June special session, income
1919 may be determined on any reasonable basis consistently applied on a
1920 year-to-year or entity-by-entity basis.

1921 (4) (A) If the unitary business has income from an entity that is
1922 treated as a pass-through entity, the combined group's net income
1923 shall include its member's direct and indirect distributive share of the
1924 pass-through entity's unitary business income.

1925 (B) The distributive share of income received by a limited partner
1926 from an investment partnership shall not be considered to be derived
1927 from a unitary business unless the general partner of such investment

1928 partnership and such limited partner have common ownership. To the
1929 extent that the limited partner is otherwise carrying on or doing
1930 business in Connecticut, it shall apportion its distributive share of
1931 income from an investment partnership in accordance with
1932 subdivision (2) of subsection (g) of section 12-218 of the general
1933 statutes, as amended by this act. If the limited partner is not otherwise
1934 carrying on or doing business in Connecticut, its distributive share of
1935 income from an investment partnership is not subject to tax under this
1936 chapter.

1937 (5) All dividends paid by one member to another member of the
1938 combined group shall be eliminated from the income of the recipient.

1939 (6) [Except as otherwise provided by regulation, business income
1940 from an intercompany transaction among members of the same
1941 combined group shall be deferred in a manner similar to the deferral
1942 under 26 CFR 1.1502-13.] The principles set forth in the Treasury
1943 regulations promulgated under Section 1502 of the Internal Revenue
1944 Code, including the principles relating to deferrals, eliminations, and
1945 exclusions, shall apply to the extent consistent with the Connecticut
1946 combined group membership and combined unitary reporting
1947 principles. Upon the occurrence of either of the following events,
1948 deferred business income resulting from an intercompany transaction
1949 among members of a combined group shall be restored to the income
1950 of the seller and shall be included in the combined group's net income
1951 as if the seller had earned the income immediately before the event:

1952 (A) The object of a deferred intercompany transaction is: (i) Resold
1953 by the buyer to an entity that is not a member of the combined group,
1954 (ii) resold by the buyer to an entity that is a member of the combined
1955 group for use outside the unitary business in which the buyer and
1956 seller are engaged, or (iii) converted by the buyer to a use outside the
1957 unitary business in which the buyer and seller are engaged; or

1958 (B) The buyer and seller are no longer members of the same
1959 combined group, regardless of whether the members remain unitary.

1960 (7) A charitable expense incurred by a member of a combined group
1961 shall, to the extent allowable as a deduction pursuant to Section 170 of
1962 the Internal Revenue Code, be subtracted first from the combined
1963 group's net income, subject to the income limitations of said section
1964 applied to the entire business income of the group. Any charitable
1965 deduction disallowed under the foregoing rule, but allowed as a
1966 carryover deduction in a subsequent year, shall be treated as originally
1967 incurred in the subsequent year by the same member and the rules of
1968 this section shall apply in the subsequent year in determining the
1969 allowable deduction for that year.

1970 (8) Gain or loss from the sale or exchange of capital assets, property
1971 described by Section 1231(a)(3) of the Internal Revenue Code and
1972 property subject to an involuntary conversion shall be removed from
1973 the net income of each member of a combined group and shall be
1974 included in the combined group's net income as follows:

1975 (A) For each class of gain or loss, whether short-term capital, long-
1976 term capital, Section 1231 of the Internal Revenue Code gain or loss, or
1977 gain or loss from involuntary conversions, all members' business gain
1978 and loss for the class shall be combined, without netting among such
1979 classes, and each class of net business gain or loss shall be apportioned
1980 to each member under subsection (b) of this section; and

1981 (B) Any resulting income or loss apportioned to this state, as long as
1982 the loss is not subject to the limitations of Section 1211 of the Internal
1983 Revenue Code, of a taxable member produced by the application of
1984 subparagraph (A) of this subdivision shall then be applied to all other
1985 income or loss of that member apportioned to this state. Any resulting
1986 loss of a member apportioned to this state that is subject to the
1987 limitations of said Section 1211 shall be carried forward by that
1988 member and shall be treated as short-term capital loss apportioned to
1989 this state and incurred by that member for the year for which the
1990 carryover applies.

1991 (9) Any expense of any member of the combined group that is

1992 directly or indirectly attributable to the income of any member of the
1993 combined group, which income this state is prohibited from taxing
1994 pursuant to the laws or Constitution of the United States, shall be
1995 disallowed as a deduction for purposes of determining the combined
1996 group's net income.

1997 (b) A taxable member of a combined group shall determine its
1998 apportionment percentage as follows:

1999 (1) Each taxable member shall determine its apportionment
2000 percentage based on the otherwise applicable apportionment formula
2001 provided in chapter 208 of the general statutes and sections 139 to 141,
2002 inclusive, of public act 15-244, as amended by public act 15-5 of the
2003 June special session. In computing its denominators for all factors, the
2004 taxable member shall use the combined group's denominator for that
2005 factor. In computing the numerator of its receipts factor, each taxable
2006 member shall add to such numerator its share of receipts of nontaxable
2007 members assignable to this state, as provided in subdivision (3) of this
2008 subsection.

2009 (2) The combined group shall determine its property and payroll
2010 factor denominators using the factors from all members, whether or
2011 not a member would otherwise apportion its income using such
2012 property and payroll factors.

2013 (3) Receipts assignable to this state of each nontaxable member shall
2014 be determined based upon the apportionment formula that would be
2015 applicable to such member if it were a taxable member and shall be
2016 aggregated. Each taxable member of the combined group shall include
2017 in the numerator of its receipts factor a portion of the aggregate
2018 receipts assignable to this state of nontaxable members based on a
2019 ratio, the numerator of which is such taxable member's receipts
2020 assignable to this state, without regard to this subsection, and the
2021 denominator of which is the aggregate receipts assignable to this state
2022 of all the taxable members of the combined group, without regard to
2023 this subsection.

2024 (4) In determining the numerator and denominator of the
2025 apportionment factors of taxable members, transactions between or
2026 among members of such combined group shall be eliminated.

2027 (5) If any member of a combined group required to file a combined
2028 unitary tax return pursuant to section 12-222 of the general statutes, as
2029 amended by [this act] public act 15-244, is taxable without this state, or
2030 is a financial service company, as defined in section 12-218b of the
2031 general statutes, as amended by this act, each taxable member shall be
2032 entitled to apportion its net income in accordance with this section.

2033 (c) To calculate each taxable member's net income or loss
2034 apportioned to this state, each taxable member shall apply its
2035 apportionment percentage, as determined pursuant to subsection (b) of
2036 this section, to the combined group's net income.

2037 (d) After calculating its net income or loss apportioned to this state,
2038 pursuant to subsection (c) of this section, each taxable member of a
2039 combined group required to file a combined unitary tax return
2040 pursuant to section 12-222 of the general statutes, as amended by
2041 public act 15-244 and [this act] public act 15-5 of the June special
2042 session, may deduct a net operating loss from its net income
2043 apportioned to this state as follows:

2044 (1) For income years beginning on or after January 1, 2016, if the
2045 computation of a combined group's net income results in a net
2046 operating loss, a taxable member of such group may carry over its net
2047 loss apportioned to this state, as calculated under subsection (c) of this
2048 section, derived from the unitary business in a future income year to
2049 the extent that the carryover and deduction is otherwise consistent
2050 with subparagraph (A) of subdivision (4) of subsection (a) of section
2051 12-217 of the general statutes, as amended by public act 15-244 and this
2052 act. Any taxable member that has more than one operating loss
2053 carryover shall apply the carryovers in the order that the operating
2054 loss was incurred, with the oldest carryover to be deducted first.

2055 (2) Where a taxable member of a combined group has an operating
2056 loss carryover derived from a loss incurred by a combined group in an
2057 income year beginning on or after January 1, 2016, then the taxable
2058 member may share the operating loss carryover with other taxable
2059 members of the combined group if such other taxable members were
2060 members of the combined group in the income year that the loss was
2061 incurred. Any amount of operating loss carryover that is deducted by
2062 another taxable member of the combined group shall reduce the
2063 amount of operating loss carryover that may be carried over by the
2064 taxable member that originally incurred the loss.

2065 (3) Where a taxable member of a combined group has an operating
2066 loss carryover derived from a loss incurred in an income year
2067 beginning prior to January 1, 2016, or derived from an income year
2068 during which the taxable member was not a member of such combined
2069 group, the carryover shall remain available to be deducted by that
2070 taxable member or other group members that, in the year the loss was
2071 incurred, were part of the same combined group as such taxable
2072 member under section 12-223a of the general statutes, as amended by
2073 public act 15-244 and [this act] public act 15-5 of the June special
2074 session, or same unitary group as such taxable member under
2075 subsection (d) of section 12-218d of the general statutes, revision of
2076 1958, revised to January 1, 2015. Such carryover shall not be deductible
2077 by any other members of the combined group.

2078 (e) Each taxable member shall multiply its income or loss
2079 apportioned to this state, as calculated under subsection (c) of this
2080 section and as further modified by subsection (d) of this section, by the
2081 tax rate set forth in section 12-214 of the general statutes, as amended
2082 by [this act] public act 15-244.

2083 (f) The additional tax base of taxable and nontaxable members of a
2084 combined group required to file a combined unitary tax return
2085 pursuant to section 12-222 of the general statutes, as amended by [this
2086 act] public act 15-244, shall be calculated as follows:

2087 (1) Except as otherwise provided in subdivision (2) of this
2088 subsection, members of the combined group shall calculate the
2089 combined group's additional tax base by aggregating their separate
2090 additional tax bases under subsection (a) of section 12-219 of the
2091 general statutes, provided (A) intercorporate stockholdings in the
2092 combined group shall be eliminated, [and provided] (B) no deduction
2093 shall be allowed under subparagraph (B)(ii) of subdivision (1) of
2094 subsection (a) of section 12-219 of the general statutes, for such
2095 intercorporate stockholdings, and (C) assets and liabilities attributable
2096 to transactions with another member of the combined group,
2097 including, but not limited to, a financial service company, as defined in
2098 section 12-218b of the general statutes, as amended by this act, shall be
2099 eliminated. In calculating the combined group's additional tax base,
2100 the separate additional tax bases of nontaxable members shall be
2101 included, as if those nontaxable members were taxable members. The
2102 amount calculated under this subdivision shall be apportioned to those
2103 members pursuant to subdivision (1) of subsection (g) of this section.

2104 (2) [Taxable members] Members of the combined group that are
2105 financial service companies, as defined in section 12-218b of the
2106 general statutes, as amended by [this act] public act 15-244 and this act,
2107 [shall calculate their additional tax liability under subsection (d) of
2108 section 12-219 of the general statutes and] shall not be included in the
2109 calculation of the combined group's additional tax base set forth in
2110 subdivision (1) of this subsection. Financial service companies that are
2111 taxable members shall calculate their additional tax liability under
2112 subsection (d) of section 12-219 of the general statutes.

2113 (g) A taxable member of a combined group required to file a
2114 combined unitary tax return pursuant to section 12-222 of the general
2115 statutes, as amended by [this act] public act 15-244, shall determine its
2116 apportionment percentage under section 12-219a of the general
2117 statutes, as amended by [this act] public act 15-244, as follows:

2118 (1) A taxable member whose separate additional tax base is
2119 included in the calculation of the combined group's additional tax base

2120 under subdivision (1) of subsection (f) of this section shall apportion
2121 the combined group's additional tax base using the otherwise
2122 applicable apportionment formula provided in section 12-219a of the
2123 general statutes, as amended by [this act] public act 15-244. However,
2124 the denominator of such apportionment fraction shall be the sum of
2125 subdivisions (1) and (2) of subsection (a) of said section 12-219a for all
2126 members whose separate additional tax bases are included in the
2127 calculation of the combined group's additional tax base under
2128 subdivision (1) of subsection (f) of this section. The numerator of such
2129 apportionment fraction shall be the sum of subparagraph (A) of
2130 subdivision (1) of subsection (a) of said section 12-219a and
2131 subparagraph (A) of subdivision (2) of subsection (a) of said section 12-
2132 219a for such taxable member.

2133 (2) Taxable members of the combined group that are financial
2134 service companies, as defined in section 12-218b of the general statutes,
2135 as amended by [this act] public act 15-244 and this act, shall each have
2136 an additional tax liability as described in subdivision (2) of subsection
2137 (h) of this section.

2138 (h) (1) A taxable member whose separate additional tax base is
2139 included in the calculation of the combined group's additional tax base
2140 under subdivision (1) of subsection (f) of this section shall multiply the
2141 combined group's additional tax base, as calculated under subdivision
2142 (1) of subsection (f) of this section, by such member's apportionment
2143 fraction determined in subdivision (1) of subsection (g) of this section,
2144 by the tax rate set forth in subsection (a) of section 12-219 of the
2145 general statutes. In no event shall the aggregate tax so calculated for all
2146 members of the combined group exceed one million dollars, nor shall a
2147 tax credit allowed against the tax imposed by [this] chapter 208 of the
2148 general statutes and sections 139 to 141, inclusive, of public act 15-244
2149 reduce a taxable member's tax calculated under this subsection to an
2150 amount less than two hundred fifty dollars.

2151 (2) Taxable members of the combined group that are financial
2152 service companies, as defined in section 12-218b of the general statutes,

2153 as amended by [this act] public act 15-244 and this act, shall each have
2154 an additional tax liability of two hundred fifty dollars. In no event
2155 shall a tax credit allowed against the tax imposed by chapter 208 of the
2156 general statutes and sections 139 to 141, inclusive, of public act 15-244
2157 reduce a financial service company's tax calculated under this
2158 subsection to an amount less than two hundred fifty dollars.

2159 (3) To the extent that the aggregate amount of tax calculated on each
2160 taxable member's additional tax base exceeds one million dollars, each
2161 taxable member will prorate its tax, in proportion to the group's tax
2162 calculated without regard to the one-million-dollar cap, such that the
2163 group's aggregate additional tax equals one million dollars.

2164 (i) If the aggregate amount of tax calculated on each taxable
2165 member's apportioned net income under subsection (e) of this section
2166 equals or exceeds the aggregate amount of tax calculated on each
2167 taxable member's apportioned additional tax base under subsection (h)
2168 of this section, each taxable member shall be subject to tax on its net
2169 income. If the aggregate amount of tax calculated on each taxable
2170 member's apportioned additional tax base under subsection (h) of this
2171 section exceeds the aggregate amount of tax calculated on each taxable
2172 member's apportioned net income under subsection (e) of this section,
2173 each taxable member shall be subject to tax on its additional tax base.

2174 (j) (1) Each taxable member of a combined group required to file a
2175 combined unitary tax return pursuant to section 12-222 of the general
2176 statutes, as amended by public act 15-244 and [this act] public act 15-5
2177 of the June special session, shall separately apply the provisions of
2178 sections 12-217ee and 12-217zz of the general statutes, as amended by
2179 public act 15-244 and this act, in determining the amount of tax credit
2180 available to such member.

2181 (2) If a taxable member of a combined group earns a tax credit in an
2182 income year beginning on or after January 1, 2016, then the taxable
2183 member may share the credit with other taxable members of the
2184 combined group. Any amount of credit that is utilized by another

2185 taxable member of the combined group shall reduce the amount of
2186 credit carryover that may be carried over by the taxable member that
2187 originally earned the credit. If a taxable member of a combined group
2188 has a tax credit carryover derived from an income year beginning on
2189 or after January 1, 2016, then the taxable member may share the
2190 carryover credit with other taxable members of the combined group, if
2191 such other taxable members were members of the combined group in
2192 the income year in which the credit was earned.

2193 (3) If a taxable member of a combined group has a tax credit
2194 carryover derived from an income year beginning prior to January 1,
2195 2016, or derived from an income year during which the taxable
2196 member was not a member of such combined group, the credit
2197 carryover shall remain available to be utilized by such taxable member
2198 or other group members which, in the year the credit was earned, were
2199 part of the same combined group as such taxable member under
2200 section 12-223a of the general statutes, as amended by public act 15-244
2201 and [this act] public act 15-5 of the June special session, or the same
2202 unitary group as such taxable member under subsection (d) of section
2203 12-218d of the general statutes, revision of 1958, revised to January 1,
2204 2015.

2205 (4) To the extent a taxable member has more than one corporation
2206 business tax credit that it may utilize in an income year, whether such
2207 credits were earned by said member or are available to said member in
2208 accordance with subdivisions (2) and (3) of this subsection, the credits
2209 shall be claimed in the same order as provided in section 12-217aa of
2210 the general statutes.

2211 (k) (1) In no event shall the tax calculated for a combined group on a
2212 combined unitary basis, prior to surtax and application of credits,
2213 exceed the nexus combined base tax described in subdivision (2) of this
2214 subsection by more than two million five hundred thousand dollars.

2215 (2) (A) The nexus combined base tax equals the tax measured on the
2216 sum of the separate net income or loss of each taxable member or the

2217 minimum tax base of each taxable member as if such members were
2218 not required to file a combined unitary tax return, but only to the
2219 extent that such income, loss or minimum tax base of any taxable
2220 member is separately apportioned to Connecticut in accordance with
2221 the applicable provisions of section 12-218 of the general statutes, as
2222 amended by this act, 12-218b of the general statutes, as amended by
2223 this act, 12-219a of the general statutes or 12-244 of the general statutes.
2224 In computing such net income or loss, intercorporate dividends shall
2225 be eliminated, and in computing the combined additional tax base,
2226 intercorporate stockholdings shall be eliminated.

2227 (B) In computing such net income or loss, any intangible expenses
2228 and costs, as defined in section 12-218c of the general statutes, any
2229 interest expenses and costs, as defined in section 12-218c of the general
2230 statutes, and any income attributable to such intangible expenses and
2231 costs or to such interest expenses and costs shall be eliminated,
2232 provided the corporation that is required to make adjustments under
2233 section 12-218c of the general statutes for such intangible expenses and
2234 costs or for such interest expenses and costs, and the related member
2235 or members, as defined in section 12-218c of the general statutes, are
2236 both taxable members of the combined group. If any such income and
2237 any such expenses and costs are eliminated as provided in this
2238 subparagraph, the intangible property, as defined in section 12-218c of
2239 the general statutes, of the corporation eliminating such income shall
2240 not be taken into account in apportioning under the provisions of
2241 section 12-219a of the general statutes the tax calculated under
2242 subsection (a) of section 12-219 of the general statutes of such
2243 corporation.

2244 (C) In computing the apportionment fraction under this
2245 subdivision:

2246 (i) Intercompany rents shall not be included in the computation of
2247 the value of property rented if the lessor and lessee are both taxable
2248 members in the combined unitary tax return; and

2249 (ii) Intercompany business receipts, receipts by a taxable member
2250 included in a combined unitary tax return from any other taxable
2251 member included in such return, shall not be included.

2252 Sec. 541. Subsections (a) and (b) of section 140 of public act 15-244,
2253 as amended by sections 139 and 144 of public act 15-5 of the June
2254 special session, are repealed and the following is substituted in lieu
2255 thereof (*Effective January 1, 2016, and applicable to income years*
2256 *commencing on or after said date*):

2257 (a) For purposes of this section, "affiliated group" means an
2258 affiliated group as defined in Section 1504 of the Internal Revenue
2259 Code, except such affiliated group shall include all domestic
2260 corporations that are commonly owned, directly or indirectly, by any
2261 member of such affiliated group, without regard to whether the
2262 affiliated group includes (1) corporations included in more than one
2263 federal consolidated return, (2) corporations engaged in one or more
2264 unitary businesses, or (3) corporations that are not engaged in a
2265 unitary business with any other member of the affiliated group. Such
2266 affiliated group shall also include any member of the combined group,
2267 determined on a world-wide basis, incorporated in a tax haven as
2268 determined by the commissioner in accordance with subdivision [(5)]
2269 (4) of subsection (b) of this section, unless it is proven to the
2270 satisfaction of the commissioner that such member is incorporated in a
2271 tax haven for a legitimate business purpose.

2272 (b) The designated taxable member of a combined group may elect
2273 to have the combined group determined on a world-wide basis or an
2274 affiliated group basis. If no such election is made, the combined group
2275 shall be determined on a water's-edge basis and will include only
2276 taxable members and those nontaxable members described in any one
2277 or more of the categories set forth in subdivisions (1) to [(4)] (3),
2278 inclusive, of this subsection:

2279 (1) Any member incorporated in the United States, or formed under
2280 the laws of the United States, any state, the District of Columbia, or

2281 any territory or possession of the United States, excluding such a
2282 member if eighty per cent or more of both its property and payroll
2283 during the income year are located outside the United States, the
2284 District of Columbia, and any territory or possession of the United
2285 States;

2286 (2) Any member, wherever incorporated or formed, if twenty per
2287 cent or more of both its property and payroll during the income year
2288 are located in the United States, the District of Columbia, or any
2289 territory or possession of the United States; or

2290 [(3) Any member that earns more than twenty per cent of its gross
2291 income, directly or indirectly, from intangible property or service-
2292 related activities, the costs of which generally are deductible for federal
2293 income tax purposes, whether currently or over a period of time,
2294 against the income of other members of the group, but only to the
2295 extent of that income and the apportionment factors related thereto; or]

2296 [(4)] (3) Any member that is incorporated in a jurisdiction that is
2297 determined by the commissioner to be a tax haven as that term is
2298 defined in subdivision [(5)] (4) of this subsection, unless it is proven to
2299 the satisfaction of the commissioner that such member is incorporated
2300 in a tax haven for a legitimate business purpose.

2301 [(5)] (4) For purposes of subsection (a) of this section and
2302 subdivision [(4)] (3) of this subsection, "tax haven" means a jurisdiction
2303 that (A) has laws or practices that prevent effective exchange of
2304 information for tax purposes with other governments on taxpayers
2305 benefiting from the tax regime; (B) has a tax regime which lacks
2306 transparency; (C) facilitates the establishment of foreign-owned
2307 entities without the need for a local substantive presence or prohibits
2308 these entities from having any commercial impact on the local
2309 economy; (D) explicitly or implicitly excludes the jurisdiction's
2310 resident taxpayers from taking advantage of the tax regime benefits or
2311 prohibits enterprises that benefit from the regime from operating in the
2312 jurisdiction's domestic market; or (E) has created a tax regime which is

2313 favorable for tax avoidance, based upon an overall assessment of
2314 relevant factors, including whether the jurisdiction has a significant
2315 untaxed offshore financial or services sector relative to its overall
2316 economy. [Not later than September 30, 2016, the commissioner shall
2317 publish a list of jurisdictions that the commissioner determines to be
2318 tax havens. The list shall be applicable to income years commencing on
2319 or after January 1, 2016, and shall remain in effect until superseded by
2320 the publication of a revised list by the commissioner.] "Tax haven"
2321 does not include a jurisdiction that has entered into a comprehensive
2322 income tax treaty with the United States, which the Secretary of the
2323 Treasury has determined is satisfactory for purposes of Section
2324 1(h)(11)(C)(i)(II) of the Internal Revenue Code.

2325 Sec. 542. Subdivision (4) of subsection (a) of section 12-217 of the
2326 general statutes, as amended by section 87 of public act 15-244 and
2327 section 482 of public act 15-5 of the June special session, is repealed
2328 and the following is substituted in lieu thereof (*Effective from passage*):

2329 (4) Notwithstanding any provision of this section to the contrary,
2330 (A) any excess of the deductions provided in this section for any
2331 income year commencing on or after January 1, 1973, over the gross
2332 income for such year or the amount of such excess apportioned to this
2333 state under the provisions of [section 12-218, as amended by this act]
2334 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
2335 amended by public act 15-5 of the June special session, shall be an
2336 operating loss of such income year and shall be deductible as an
2337 operating loss carry-over for operating losses incurred prior to income
2338 years commencing January 1, 2000, in each of the five income years
2339 following such loss year, and for operating losses incurred in income
2340 years commencing on or after January 1, 2000, in each of the twenty
2341 income years following such loss year, except that (i) for income years
2342 commencing prior to January 1, 2015, the portion of such operating
2343 loss which may be deducted as an operating loss carry-over in any
2344 income year following such loss year shall be limited to the lesser of (I)
2345 any net income greater than zero of such income year following such

2346 loss year, or in the case of a company entitled to apportion its net
2347 income under the provisions of [section 12-218, as amended by this act]
2348 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
2349 amended by public act 15-5 of the June special session, the amount of
2350 such net income which is apportioned to this state pursuant thereto, or
2351 (II) the excess, if any, of such operating loss over the total of such net
2352 income for each of any prior income years following such loss year,
2353 such net income of each of such prior income years following such loss
2354 year for such purposes being computed without regard to any
2355 operating loss carry-over from such loss year allowed under this
2356 subparagraph and being regarded as not less than zero, and provided
2357 further the operating loss of any income year shall be deducted in any
2358 subsequent year, to the extent available for such deduction, before the
2359 operating loss of any subsequent income year is deducted, (ii) for
2360 income years commencing on or after January 1, 2015, the portion of
2361 such operating loss which may be deducted as an operating loss carry-
2362 over in any income year following such loss year shall be limited to the
2363 lesser of (I) fifty per cent of net income of such income year following
2364 such loss year, or in the case of a company entitled to apportion its net
2365 income under the provisions of [section 12-218, as amended by this act]
2366 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
2367 amended by public act 15-5 of the June special session, fifty per cent of
2368 such net income which is apportioned to this state pursuant thereto, or
2369 (II) the excess, if any, of such operating loss over the operating loss
2370 deductions allowable with respect to such operating loss under this
2371 subparagraph for each of any prior income years following such loss
2372 year, such net income of each of such prior income years following
2373 such loss year for such purposes being computed without regard to
2374 any operating loss carry-over from such loss year allowed under this
2375 subparagraph and being regarded as not less than zero, and provided
2376 further the operating loss of any income year shall be deducted in any
2377 subsequent year, to the extent available for such deduction, before the
2378 operating loss of any subsequent income year is deducted, and (iii) if a
2379 combined group so elects, [the operating loss carry-over of said
2380 combined group, shall be limited to] the combined group shall

2381 relinquish fifty per cent of its unused operating losses incurred prior to
2382 the income year commencing on or after January 1, 2015, and before
2383 January 1, 2016, and may utilize the remaining operating loss carry-
2384 over without regard to the limitations prescribed in subparagraph
2385 (A)(ii) of this subdivision. The portion of such operating loss carry-
2386 over that may be deducted shall be limited to [net income greater than
2387 zero] the amount required to reduce a combined group's tax under this
2388 chapter and sections 139 to 141, inclusive, of public act 15-244, as
2389 amended by public act 15-5 of the June special session, prior to surtax
2390 and prior to the application of credits, to two million five hundred
2391 thousand dollars in any income year commencing on or after January
2392 1, [2017] 2015. Only after the combined group's remaining operating
2393 loss carry-over for operating losses incurred prior to income years
2394 commencing January 1, 2015, has been fully utilized, will the
2395 limitations prescribed in subparagraph (A)(ii) of this subdivision
2396 apply. The combined group, or any member thereof, shall make such
2397 election on its return for the income year beginning on or after January
2398 1, 2015, and before January 1, 2016, by the due date for such return,
2399 including any extensions. Only combined groups with unused
2400 operating losses in excess of six billion dollars from income years
2401 beginning prior to January 1, 2013, may make the election prescribed
2402 in this clause, and (B) any net capital loss, as defined in the Internal
2403 Revenue Code effective and in force on the last day of the income year,
2404 for any income year commencing on or after January 1, 1973, shall be
2405 allowed as a capital loss carry-over to reduce, but not below zero, any
2406 net capital gain, as so defined, in each of the five following income
2407 years, in order of sequence, to the extent not exhausted by the net
2408 capital gain of any of the preceding of such five following income
2409 years, and (C) any net capital losses allowed and carried forward from
2410 prior years to income years beginning on or after January 1, 1973, for
2411 federal income tax purposes by companies entitled to a deduction for
2412 dividends paid under the Internal Revenue Code other than
2413 companies subject to the gross earnings taxes imposed under chapters
2414 211 and 212, shall be allowed as a capital loss carry-over.

2415 Sec. 543. Section 12-216a of the general statutes is repealed and the
2416 following is substituted in lieu thereof (*Effective from passage*):

2417 (a) Any company that derives income from sources within this state
2418 and that has a substantial economic presence within this state,
2419 evidenced by a purposeful direction of business toward this state,
2420 examined in light of the frequency, quantity and systematic nature of a
2421 company's economic contacts with this state, without regard to
2422 physical presence, and to the extent permitted by the Constitution of
2423 the United States, shall be liable for the tax imposed under this
2424 chapter. Such company shall apportion its net income under the
2425 provisions of this chapter.

2426 (b) (1) The provisions of subsection (a) of this section shall not apply
2427 to any company that is treated as a foreign corporation under the
2428 Internal Revenue Code and has no income effectively connected with a
2429 United States trade or business.

2430 (2) To the extent that a company that is treated as a foreign
2431 corporation under the Internal Revenue Code has income effectively
2432 connected with a United States trade or business, such company's
2433 gross income, notwithstanding any provision of this chapter and
2434 sections 139 to 141, inclusive, of public act 15-244, as amended by
2435 public act 15-5 of the June special session and this act, shall be its
2436 income effectively connected with its United States trade or business.
2437 For net income tax apportionment purposes, only property used in,
2438 payroll attributable to and receipts effectively connected with such
2439 company's United States trade or business shall be considered for
2440 purposes of calculating such company's apportionment fraction.
2441 "Income effectively connected with a United States trade or business"
2442 shall be determined in accordance with the provisions of the Internal
2443 Revenue Code. The provisions of this subdivision shall not apply to a
2444 foreign corporation that is included in a combined group that files a
2445 combined unitary tax return.

2446 Sec. 544. Section 12-218 of the general statutes, as amended by

2447 section 149 of public act 15-244 and section 139 of public act 15-5 of the
2448 June special session, is repealed and the following is substituted in lieu
2449 thereof (*Effective January 1, 2016, and applicable to income years*
2450 *commencing on or after January 1, 2016*):

2451 (a) Any taxpayer which is taxable both within and without this state
2452 shall apportion its net income as provided in this section. For purposes
2453 of apportionment of income under this section, a taxpayer is taxable in
2454 another state if in such state such taxpayer conducts business and is
2455 subject to a net income tax, a franchise tax for the privilege of doing
2456 business, or a corporate stock tax, or if such state has jurisdiction to
2457 subject such taxpayer to such a tax, regardless of whether such state
2458 does, in fact, impose such a tax.

2459 [(b) The net income of the taxpayer, when derived from business
2460 other than the manufacture, sale or use of tangible personal or real
2461 property, shall be apportioned within and without the state by means
2462 of an apportionment fraction, the numerator of which shall represent
2463 the gross receipts from business carried on within Connecticut and the
2464 denominator shall represent the gross receipts from business carried
2465 on everywhere, except that any gross receipts attributable to an
2466 international banking facility, as defined in section 12-217, shall not be
2467 included in the numerator or the denominator. Gross receipts as used
2468 in this subsection has the same meaning as used in subdivision (3) of
2469 subsection (c) of this section.]

2470 [(c)] (b) Except as otherwise provided in [subsection (k) or (l) of this
2471 section] this chapter and sections 139 to 141, inclusive, of public act 15-
2472 244, on and after January 1, 2016, the net income of the taxpayer [when
2473 derived from the manufacture, sale or use of tangible personal or real
2474 property,] shall be apportioned within and without the state by means
2475 of an apportionment fraction. [, to be computed as the sum of the
2476 property factor, the payroll factor and twice the receipts factor, divided
2477 by four. (1) The first of these fractions, the property factor, shall
2478 represent that part of the average monthly net book value of the total
2479 tangible property held and owned by the taxpayer during the income

2480 year which is held within the state, without deduction on account of
2481 any encumbrance thereon, and the value of tangible property rented to
2482 the taxpayer computed by multiplying the gross rents payable during
2483 the income year or period by eight. For the purpose of this section,
2484 gross rents shall be the actual sum of money or other consideration
2485 payable, directly or indirectly, by the taxpayer or for its benefit for the
2486 use or possession of the property, excluding royalties, but including
2487 interest, taxes, insurance, repairs or any other amount required to be
2488 paid by the terms of a lease or other arrangement and a proportionate
2489 part of the cost of any improvement to the real property made by or on
2490 behalf of the taxpayer which reverts to the owner or lessor upon
2491 termination of a lease or other arrangement, based on the unexpired
2492 term of the lease commencing with the date the improvement is
2493 completed, provided, where a building is erected on leased land by or
2494 on behalf of the taxpayer, the value of the land is determined by
2495 multiplying the gross rent by eight, and the value of the building is
2496 determined in the same manner as if owned by the taxpayer. (2) The
2497 second fraction, the payroll factor, shall represent the part of the total
2498 wages, salaries and other compensation to employees paid by the
2499 taxpayer during the income year which was paid in this state,
2500 excluding any such wages, salaries or other compensation attributable
2501 to the production of gross income of an international banking facility
2502 as defined in section 12-217. Compensation is paid in this state if (A)
2503 the individual's service is performed entirely within the state; or (B)
2504 the individual's service is performed both within and without the state,
2505 but the service performed without the state is incidental to the
2506 individual's service within the state; or (C) some of the service is
2507 performed in the state and (i) the base of operations or, if there is no
2508 base of operations, the place from which the service is directed or
2509 controlled is in the state, or (ii) the base of operations or the place from
2510 which the service is directed or controlled is not in any state in which
2511 some part of the service is performed, but the individual's residence is
2512 in this state. (3) The third fraction, the receipts factor,] The
2513 apportionment fraction shall represent the part of the taxpayer's gross
2514 receipts from sales or other sources during the income year, computed

2515 according to the method of accounting used in the computation of its
2516 entire net income, which is assignable to the state, and excluding any
2517 gross receipts attributable to an international banking facility as
2518 defined in section 12-217, as amended by [this act] public act 15-244
2519 and this act, but including receipts from sales of tangible property if
2520 the property is delivered or shipped to a purchaser within this state,
2521 other than a company which qualifies as a Domestic International Sales
2522 Corporation (DISC) as defined in Section 992 of the Internal Revenue
2523 Code of 1986, or any subsequent corresponding internal revenue code
2524 of the United States, as from time to time amended, and as to which a
2525 valid election under Subsection (b) of said Section 992 to be treated as a
2526 DISC is effective, regardless of the f.o.b. point or other conditions of
2527 the sale, receipts from services performed within the state, rentals and
2528 royalties from properties situated within the state, royalties from the
2529 use of patents or copyrights within the state, interest managed or
2530 controlled within the state, net gains from the sale or other disposition
2531 of intangible assets managed or controlled within the state, net gains
2532 from the sale or other disposition of tangible assets situated within the
2533 state and all other receipts earned within the state.

2534 [(d)] (c) Any motor bus company which is taxable both within and
2535 without this state shall apportion its net income derived from carrying
2536 of passengers for hire by means of an apportionment fraction, the
2537 numerator of which shall represent the total number of miles operated
2538 within this state and the denominator of which shall represent the total
2539 number of miles operated everywhere, but income derived by motor
2540 bus companies from sources other than the carrying of passengers for
2541 hire shall be apportioned as herein otherwise provided.

2542 [(e)] (d) Any motor carrier which transports property for hire and
2543 which is taxable both within and without this state shall apportion its
2544 net income derived from carrying of property for hire by means of an
2545 apportionment fraction, the numerator of which shall represent the
2546 total number of miles operated within this state and the denominator
2547 of which shall represent the total number of miles operated

2548 everywhere, but income derived by motor carriers from sources other
2549 than the carrying of property for hire shall be apportioned as herein
2550 otherwise provided.

2551 ~~[(f)]~~ (e) (1) Each taxpayer that provides management, distribution or
2552 administrative services, as defined in this subsection, to or on behalf of
2553 a regulated investment company, as defined in Section 851 of the
2554 Internal Revenue Code shall apportion its net income derived, directly
2555 or indirectly, from providing management, distribution or
2556 administrative services to or on behalf of a regulated investment
2557 company, including net income received directly or indirectly from
2558 trustees, and sponsors or participants of employee benefit plans which
2559 have accounts in a regulated investment company, in the manner
2560 provided in this subsection. Income derived by such taxpayer from
2561 sources other than the providing of management, distribution or
2562 administrative services to or on behalf of a regulated investment
2563 company shall be apportioned as provided in this chapter.

2564 (2) The numerator of the apportionment fraction shall consist of the
2565 sum of the Connecticut receipts, as described in subdivision (3) of this
2566 subsection. The denominator of the apportionment fraction shall
2567 consist of the total receipts from the sale of management, distribution
2568 or administrative services to or on behalf of all the regulated
2569 investment companies. For purposes of this subsection, "receipts"
2570 means receipts computed according to the method of accounting used
2571 by the taxpayer in the computation of net income.

2572 (3) For purposes of this subsection, Connecticut receipts shall be
2573 determined by multiplying receipts from the rendering of
2574 management, distribution or administrative services to or on behalf of
2575 each separate regulated investment company by a fraction (A) the
2576 numerator of which shall be the average of (i) the number of shares on
2577 the first day of such regulated investment company's taxable year, for
2578 federal income tax purposes, which ends within or at the same time as
2579 the taxable year of the taxpayer, that are owned by shareholders of
2580 such regulated investment company then domiciled in this state and

2581 (ii) the number of shares on the last day of such regulated investment
2582 company's taxable year, for federal income tax purposes, which ends
2583 within or at the same time as the taxable year of the taxpayer, that are
2584 owned by shareholders of such regulated investment company then
2585 domiciled in this state; and (B) the denominator of which shall be the
2586 average of the number of shares that are owned by shareholders of
2587 such regulated investment company on such dates.

2588 (4) (A) For purposes of this subsection, "management services"
2589 includes, but is not limited to, the rendering of investment advice
2590 directly or indirectly to a regulated investment company, making
2591 determinations as to when sales and purchases of securities are to be
2592 made on behalf of the regulated investment company, or the selling or
2593 purchasing of securities constituting assets of a regulated investment
2594 company, and related activities, but only where such activity or
2595 activities are performed (i) pursuant to a contract with the regulated
2596 investment company entered into pursuant to 15 USC 80a-15(a), as
2597 from time to time amended, (ii) for a person that has entered into such
2598 contract with the regulated investment company, or (iii) for a person
2599 that is affiliated with a person that has entered into such contract with
2600 a regulated investment company.

2601 (B) For purposes of this subsection, "distribution services" includes,
2602 but is not limited to, the services of advertising, servicing, marketing
2603 or selling shares of a regulated investment company, but, in the case of
2604 advertising, servicing or marketing shares, only where such service is
2605 performed by a person that is, or, in the case of a closed end company,
2606 was, either engaged in the service of selling such shares or affiliated
2607 with a person that is engaged in the service of selling such shares. In
2608 the case of an open end company, such service of selling shares shall
2609 be performed pursuant to a contract entered into pursuant to 15 USC
2610 80a-15(b), as from time to time amended.

2611 (C) For purposes of this subsection, "administrative services"
2612 includes, but is not limited to, clerical, fund or shareholder accounting,
2613 participant record keeping, transfer agency, bookkeeping, data

2614 processing, custodial, internal auditing, legal and tax services
2615 performed for a regulated investment company but only if the
2616 provider of such service or services during the income year in which
2617 such service or services are provided also provides, or is affiliated with
2618 a person that provides, management or distribution services to such
2619 regulated investment company.

2620 (D) For purposes of this subsection, a person is "affiliated" with
2621 another person if each person is a member of the same affiliated group,
2622 as defined under Section 1504 of the Internal Revenue Code without
2623 regard to subsection (b) of said section.

2624 (E) For purposes of this subsection, the domicile of a shareholder
2625 shall be presumed to be such shareholder's mailing address as shown
2626 in the records of the regulated investment company except that for
2627 purposes of this subsection, if the shareholder of record is an insurance
2628 company which holds the shares of the regulated investment company
2629 as depositor for the benefit of a separate account, then the taxpayer
2630 may elect to treat as the shareholders the contract owners or
2631 policyholders of the contracts or policies supported by such separate
2632 account. An election made under this subparagraph shall apply to all
2633 shareholders that are insurance companies and shall be irrevocable for,
2634 and applicable for, five successive income years. In any year that such
2635 an election is applicable, it shall be presumed that the domicile of a
2636 shareholder is the mailing address of the contract owner or
2637 policyholder as shown in the records of the insurance company.

2638 [(g)] (f) (1) Each taxpayer that provides securities brokerage
2639 services, as defined in this subsection, shall apportion its net income
2640 derived, directly or indirectly, from rendering securities brokerage
2641 services in the manner provided in this subsection. Income derived by
2642 such taxpayer from sources other than the rendering of securities
2643 brokerage services shall be apportioned as provided in this chapter.

2644 (2) The numerator of the apportionment fraction shall consist of the
2645 brokerage commissions and total margin interest paid on behalf of

2646 brokerage accounts owned by the taxpayer's customers who are
2647 domiciled in this state during such taxpayer's income year, computed
2648 according to the method of accounting used in the computation of net
2649 income. The denominator of the apportionment fraction shall consist of
2650 brokerage commissions and total margin interest paid on behalf of
2651 brokerage accounts owned by all of the taxpayer's customers,
2652 wherever domiciled, during such taxpayer's income year, computed
2653 according to the method of accounting used in the computation of net
2654 income.

2655 (3) For purposes of this subsection:

2656 (A) "Security brokerage services" means services and activities
2657 including all aspects of the purchasing and selling of securities
2658 rendered by a broker, as defined in 15 USC 78c(a)(4) and registered
2659 under the provisions of 15 USC 78a to 78kk, inclusive, as from time to
2660 time amended, to effectuate transactions in securities for the account of
2661 others, and a dealer, as defined in 15 USC 78c(a)(5) and registered
2662 under the provisions of 15 USC 78a to 78kk, inclusive, as from time to
2663 time amended, to buy and sell securities, through a broker or
2664 otherwise. Security brokerage services shall not include services
2665 rendered by any person buying or selling securities for such person's
2666 own account, either individually or in some fiduciary capacity, but not
2667 as part of a regular business carried on by such person.

2668 (B) "Securities" means security, as defined in 15 USC 78c(a)(10), as
2669 from time to time amended.

2670 (C) "Brokerage commission" means all compensation received for
2671 effecting purchases and sales for the account or on order of others,
2672 whether in a principal or agency transaction, and whether charged
2673 explicitly or implicitly as a fee, commission, spread, markup or
2674 otherwise.

2675 (4) For purposes of this subsection, the domicile of a customer shall
2676 be presumed to be such customer's mailing address as shown in the

2677 records of the taxpayer.

2678 [(h)] (g) (1) Any company that is (A) a limited partner in a
2679 partnership, other than an investment partnership, that does business,
2680 owns or leases property or maintains an office within this state and (B)
2681 not otherwise carrying on or doing business in this state shall pay the
2682 tax imposed under section 12-214 as amended by [this act] public act
2683 15-244, solely on its distributive share as a partner of the income or loss
2684 of such partnership to the extent such income or loss is derived from or
2685 connected with sources within this state, except that, if the
2686 commissioner determines that the company and the partnership are, in
2687 substance, parts of a unitary business engaged in a single business
2688 enterprise or if the company is a member of a combined group that
2689 files a combined unitary tax return, the company shall be taxed in
2690 accordance with the provisions of subdivision (3) of this subsection
2691 and not in accordance with the provisions of this subdivision,
2692 provided, in lieu of the payment of tax based solely on its distributive
2693 share, such company may elect for any particular income year, on or
2694 before the due date or, if applicable the extended due date, of its
2695 corporation business tax return for such income year, to apportion its
2696 net income within and without the state under the provisions of this
2697 chapter.

2698 (2) Any company that is (A) a limited partner (i) in an investment
2699 partnership or (ii) in a limited partnership, other than an investment
2700 partnership, that does business, owns or leases property or maintains
2701 an office within this state and (B) otherwise carrying on or doing
2702 business in this state shall apportion its net income, including its
2703 distributive share as a partner of such partnership income or loss,
2704 within and without the state under the provisions of this chapter,
2705 except that the numerator and the denominator of its [payroll factor,
2706 property factor, and receipts factor] apportionment fraction shall
2707 include its proportionate part, as a partner, of the numerator and the
2708 denominator of such partnership's [payroll factor, property factor and
2709 receipts factor, respectively] apportionment fraction. For purposes of

2710 this section, such partnership shall compute its apportionment fraction
2711 and the numerator and the denominator of its [payroll factor, property
2712 factor and receipts factor,] apportionment fraction as if it were a
2713 company taxable both within and without this state.

2714 (3) Any company that is a general partner in a partnership that does
2715 business, owns or leases property or maintains an office within this
2716 state shall, whether or not it is otherwise carrying on or doing business
2717 in this state, apportion its net income, including its distributive share
2718 as a partner of such partnership income or loss, within and without the
2719 state under the provisions of this chapter, except that the numerator
2720 and the denominator of its [payroll factor, property factor and receipts
2721 factor] apportionment fraction shall include its proportionate part, as a
2722 partner, of the numerator and the denominator of such partnership's
2723 [payroll factor, property factor and receipts factor, respectively]
2724 apportionment fraction. For purposes of this section, such partnership
2725 shall compute its apportionment fraction and the numerator and the
2726 denominator of its [payroll factor, property factor and receipts factor,]
2727 apportionment fraction as if it were a company taxable both within
2728 and without this state.

2729 [(i)] (h) The provisions of this section shall not apply to insurance
2730 companies.

2731 [(j)] (i) (1) Any financial service company as defined in section 12-
2732 218b, as amended by [this act] public act 15-244, that has net income
2733 derived from credit card activities, as defined in this subsection, shall
2734 apportion its net income derived from credit card activities in the
2735 manner provided in this subsection. Income derived by such taxpayer
2736 from sources other than credit card activities shall be apportioned as
2737 provided in this chapter.

2738 (2) The numerator of the apportionment fraction shall consist of the
2739 Connecticut receipts, as described in subdivision (3) of this subsection.
2740 The denominator of the apportionment fraction shall consist of (A) the
2741 total amount of interest and fees or penalties in the nature of interest

2742 from credit card receivables, (B) receipts from fees charged to card
2743 holders, including, but not limited to, annual fees, irrespective of the
2744 billing address of the card holder, (C) net gains from the sale of credit
2745 card receivables, irrespective of the billing address of the card holder,
2746 and (D) all credit card issuer's reimbursement fees, irrespective of the
2747 billing address of the card holder.

2748 (3) For purposes of this subsection, "Connecticut receipts" shall be
2749 determined by adding (A) interest and fees or penalties in the nature of
2750 interest from credit card receivables and receipts from fees charged to
2751 card holders, including, but not limited to, annual fees, where the
2752 billing address of the card holder is in this state and (B) the product of
2753 (i) the sum of net gains from the sale of credit card receivables and all
2754 credit card issuer's reimbursement fees multiplied by (ii) a fraction, the
2755 numerator of which shall be interest and fees or penalties in the nature
2756 of interest from credit card receivables and receipts from fees charged
2757 to card holders, including, but not limited to, annual fees, where the
2758 billing address of the card holder is in this state, and the denominator
2759 of which shall be the total amount of interest and fees or penalties in
2760 the nature of interest from credit card receivables and receipts from
2761 fees charged to card holders, including, but not limited to, annual fees,
2762 irrespective of the billing address of the card holder.

2763 (4) For purposes of this subsection:

2764 (A) "Credit card" means a credit, travel, or entertainment card;

2765 (B) "Receipts" means receipts computed according to the method of
2766 accounting used by the taxpayer in the computation of net income;

2767 (C) "Credit card issuer's reimbursement fee" means the fee that a
2768 taxpayer receives from a merchant's bank because one of the persons
2769 to whom the taxpayer or a related person, as defined in section 12-
2770 218b, as amended by [this act] public act 15-244, has issued a credit
2771 card has charged merchandise or services to the credit card;

2772 (D) "Net income derived from credit card activities" means (i)

2773 interest and fees or penalties in the nature of interest from credit card
2774 receivables and receipts from fees charged to card holders, including,
2775 but not limited to, annual fees, net gains from the sale of credit card
2776 receivables, credit card issuer's reimbursement fees, and credit card
2777 receivables servicing fees received in connection with credit cards
2778 issued by the taxpayer or a related person, as defined in section 12-
2779 218b, as amended by [this act] public act 15-244, less (ii) expenses
2780 related to such income, to the extent deductible under this chapter;

2781 (E) "Billing address" shall be presumed to be the location indicated
2782 in the books and records of the taxpayer as the address where any
2783 notice, statement or bill relating to a card holder is to be mailed, as of
2784 the date of such mailing; and

2785 (F) "Credit card activities" means those activities involving the
2786 underwriting and approval of credit card relationships or other
2787 business activities generally associated with the conduct of business by
2788 an issuer of credit cards from which it derives income.

2789 (5) The Commissioner of Revenue Services may adopt regulations,
2790 in accordance with chapter 54, to permit a financial service company
2791 that is an owner of a financial asset securitization investment trust, as
2792 defined in Section 860H(a) of the Internal Revenue Code, to elect to
2793 apportion its share of the net income from credit card activities carried
2794 on by such trust, and to provide rules for apportioning such share of
2795 net income that are consistent with this subsection.

2796 [(k)] (j) (1) For income years commencing on or after January 1, 2001,
2797 the net income of a taxpayer which is primarily engaged in activities
2798 that, in accordance with the North American Industrial Classification
2799 System, United States Manual, United States Office of Management
2800 and Budget, 1997 edition, would be included in Sector 31, 32 or 33,
2801 shall be apportioned within and without the state by means of the
2802 apportionment fraction described in subdivision (2) of this subsection
2803 provided, in the income year commencing on January 1, 2001, each
2804 such taxpayer shall not take such apportionment fraction into account

2805 for purposes of installment payments on estimated tax under section
2806 12-242d, as amended by [this act] public act 15-244, for calendar
2807 quarters ending prior to July 1, 2001, but shall make such payments in
2808 accordance with the apportionment fraction applicable to the income
2809 year commencing January 1, 2000.

2810 (2) The [numerator of the apportionment fraction shall consist of the
2811 taxpayer's gross receipts, as described in subdivision (3) of subsection
2812 (c) of this section, which are assignable to the state, as provided in
2813 subdivision (3) of subsection (c) of this section. The denominator of the
2814 apportionment fraction shall consist of the taxpayer's total gross
2815 receipts, as described in subdivision (3) of subsection (c) of this section,
2816 whether or not assignable to the state] apportionment fraction of a
2817 taxpayer described in subdivision (1) of this subsection shall be the
2818 apportionment fraction calculated under subsection (b) of this section.

2819 (3) (A) Any taxpayer which is described in subdivision (1) of this
2820 subsection and seventy-five per cent or more of whose total gross
2821 receipts, as described in [subdivision (3) of subsection (c)] subsection
2822 (b) of this section, during the income year are from the sale of tangible
2823 personal property directly, or in the case of a subcontractor, indirectly,
2824 to the United States government may elect, on or before the due date
2825 or, if applicable, the extended due date, of its corporation business tax
2826 return for the income year, to apportion its net income within and
2827 without the state by means of the apportionment fraction described in
2828 [subsection (c) of this section] subparagraph (B) of this subdivision.
2829 The election, if made by the taxpayer, shall be irrevocable for, and
2830 applicable for, five successive income years.

2831 (B) The net income of the taxpayer making an election under
2832 subdivision (3) of subparagraph (A) of this subsection shall be
2833 apportioned within and without the state by means of an
2834 apportionment fraction, to be computed as the sum of the property
2835 factor, the payroll factor and twice the receipts factor, divided by four.
2836 (i) The first of these fractions, the property factor, shall represent that
2837 part of the average monthly net book value of the total tangible

2838 property held and owned by the taxpayer during the income year
2839 which is held within the state, without deduction on account of any
2840 encumbrance thereon, and the value of tangible property rented to the
2841 taxpayer computed by multiplying the gross rents payable during the
2842 income year or period by eight. For the purpose of this section, gross
2843 rents shall be the actual sum of money or other consideration payable,
2844 directly or indirectly, by the taxpayer or for its benefit for the use or
2845 possession of the property, excluding royalties, but including interest,
2846 taxes, insurance, repairs or any other amount required to be paid by
2847 the terms of a lease or other arrangement and a proportionate part of
2848 the cost of any improvement to the real property made by or on behalf
2849 of the taxpayer which reverts to the owner or lessor upon termination
2850 of a lease or other arrangement, based on the unexpired term of the
2851 lease commencing with the date the improvement is completed,
2852 provided, where a building is erected on leased land by or on behalf of
2853 the taxpayer, the value of the land is determined by multiplying the
2854 gross rent by eight, and the value of the building is determined in the
2855 same manner as if owned by the taxpayer. (ii) The second fraction, the
2856 payroll factor, shall represent the part of the total wages, salaries and
2857 other compensation to employees paid by the taxpayer during the
2858 income year which was paid in this state, excluding any such wages,
2859 salaries or other compensation attributable to the production of gross
2860 income of an international banking facility as defined in section 12-217,
2861 as amended by this act. Compensation is paid in this state if (I) the
2862 individual's service is performed entirely within the state; or (II) the
2863 individual's service is performed both within and without the state,
2864 but the service performed without the state is incidental to the
2865 individual's service within the state; or (III) some of the service is
2866 performed in the state and the base of operations or, if there is no base
2867 of operations, the place from which the service is directed or controlled
2868 is in the state, or the base of operations or the place from which the
2869 service is directed or controlled is not in any state in which some part
2870 of the service is performed, but the individual's residence is in this
2871 state. (iii) The third fraction, the receipts factor, shall represent the part
2872 of the taxpayer's gross receipts from sales or other sources during the

2873 income year, computed according to the method of accounting used in
2874 the computation of its entire net income, which is assignable to the
2875 state, and excluding any gross receipts attributable to an international
2876 banking facility as defined in section 12-217, as amended by this act,
2877 but including receipts from sales of tangible property if the property is
2878 delivered or shipped to a purchaser within this state, other than a
2879 company which qualifies as a Domestic International Sales
2880 Corporation (DISC) as defined in Section 992 of the Internal Revenue
2881 Code of 1986, or any subsequent corresponding internal revenue code
2882 of the United States, as from time to time amended, and as to which a
2883 valid election under Subsection (b) of said Section 992 to be treated as a
2884 DISC is effective, regardless of the f.o.b. point or other conditions of
2885 the sale, receipts from services performed within the state, rentals and
2886 royalties from properties situated within the state, royalties from the
2887 use of patents or copyrights within the state, interest managed or
2888 controlled within the state, net gains from the sale or other disposition
2889 of intangible assets managed or controlled within the state, net gains
2890 from the sale or other disposition of tangible assets situated within the
2891 state and all other receipts earned within the state.

2892 [(l)] (k) (1) For income years commencing on or after October 1,
2893 2001, any broadcaster which is taxable both within and without this
2894 state shall apportion its net income derived from the broadcast of
2895 video or audio programming, whether through the public airwaves, by
2896 cable, by direct or indirect satellite transmission or by any other means
2897 of communication, through an over-the-air television or radio network,
2898 through a television or radio station or through a cable network or
2899 cable television system and, if such broadcaster is a cable network, all
2900 net income derived from activities related to or arising out of the
2901 foregoing, including, but not limited to, broadcasting, entertainment,
2902 publishing, whether electronically or in print, electronic commerce and
2903 licensing of intellectual property created in the pursuit of such
2904 activities, by means of the apportionment fraction described in
2905 subdivision (3) of this subsection, and any eligible production entity
2906 which is taxable both within and without this state shall apportion its

2907 net income derived from video or audio programming production
2908 services by means of the apportionment fraction described in
2909 subdivision (4) of this subsection.

2910 (2) For purposes of this subsection:

2911 (A) "Video or audio programming" means any and all
2912 performances, events or productions, including without limitation
2913 news, sporting events, plays, stories and other entertainment, literary,
2914 commercial, educational or artistic works, telecast or otherwise made
2915 available for video or audio exhibition through live transmission or
2916 through the use of video tape, disc or any other type of format or
2917 medium;

2918 (B) A "subscriber" to a cable television system is an individual
2919 residence or other outlet which is the ultimate recipient of the
2920 transmission;

2921 (C) "Telecast" or "broadcast" means the transmission of video or
2922 audio programming by an electronic or other signal conducted by
2923 radiowaves or microwaves, by wires, lines, coaxial cables, wave guides
2924 or fiber optics, by satellite transmissions directly or indirectly to
2925 viewers or listeners or by any other means of communication;

2926 (D) "Eligible production entity" means a corporation which provides
2927 video or audio programming production services and which is
2928 affiliated, within the meaning of Sections 1501 to 1504 of the Internal
2929 Revenue Code and the regulations promulgated thereunder, with a
2930 broadcaster;

2931 (E) "Release" or "in release" means the placing of video or audio
2932 programming into service. A video or audio program is placed into
2933 service when it is first broadcast to the primary audience for which the
2934 program was created. For example, video programming is placed in
2935 service when it is first publicly telecast for entertainment, educational,
2936 commercial, artistic or other purpose. Each episode of a television or
2937 radio series is placed in service when it is first broadcast; and

2938 (F) "Broadcaster" means a corporation that is engaged in the
2939 business of broadcasting video or audio programming, whether
2940 through the public airwaves, by cable, by direct or indirect satellite
2941 transmission or by any other means of communication, through an
2942 over-the-air television or radio network, through a television or radio
2943 station or through a cable network or cable television system, and that
2944 is primarily engaged in activities that, in accordance with the North
2945 American Industry Classification System, United States Manual, 1997
2946 edition, are included in industry group 5131 or 5132.

2947 (3) (A) Except as provided in subparagraph (B) of this subdivision
2948 with respect to the determination of the apportionment fraction for net
2949 income derived from the activities referred to in subdivision (1) of
2950 subsection [(l)] (k) of this section, the numerator of the apportionment
2951 fraction for a broadcaster shall consist of the broadcaster's gross
2952 receipts, as described in [subdivision (3) of subsection (c)] subsection
2953 (b) of this section, which are assignable to the state, as provided in
2954 [subdivision (3) of subsection (c)] subsection (b) of this section. Except
2955 as provided in subparagraph (C) of this subdivision with respect to the
2956 determination of the apportionment fraction for the net income
2957 derived from the activities referred to in subdivision (1) of subsection
2958 [(l)] (k) of this section, the denominator of the apportionment fraction
2959 for a broadcaster shall consist of the broadcaster's total gross receipts,
2960 as described in [subdivision (3) of subsection (c)] subsection (b) of this
2961 section, whether or not assignable to the state.

2962 (B) The numerator of the apportionment fraction for a broadcaster
2963 shall include the gross receipts of the taxpayer from sources within this
2964 state determined as follows:

2965 (i) Gross receipts, including without limitation, advertising revenue,
2966 affiliate fees and subscriber fees, received by a broadcaster from video
2967 or audio programming in release to or by a broadcaster for telecast
2968 which is attributed to this state.

2969 (ii) Gross receipts, including without limitation, advertising

2970 revenue, received by an over-the-air television or radio network or a
2971 television or radio station from video or audio programming in release
2972 to or by such network or station for telecast shall be attributed to this
2973 state in the same ratio that the audience for such over-the-air network
2974 or station located in this state bears to the total audience for such over-
2975 the-air network or station inside and outside of the United States. For
2976 purposes of this subparagraph, the audience shall be determined either
2977 by reference to the books and records of the taxpayer or by reference to
2978 the applicable year's published rating statistics, provided the method
2979 used by the taxpayer is consistently used from year to year for such
2980 purpose and fairly represents the taxpayer's activity in the state.

2981 (iii) Gross receipts including, without limitation, advertising
2982 revenue, affiliate fees and subscriber fees, received by a cable network
2983 or a cable television system from video or audio programming in
2984 release to or by such cable network or cable television system for
2985 telecast and other receipts that are derived from the activities referred
2986 to in subdivision (1) of this subsection shall be attributed to this state in
2987 the same ratio that the number of subscribers for such cable network or
2988 cable television system located in this state bears to the total of such
2989 subscribers of such cable network or cable television system inside and
2990 outside of the United States. For purpose of this subparagraph, the
2991 number of subscribers of a cable network shall be measured by
2992 reference to the number of subscribers of cable television systems that
2993 are affiliated with such network and that receive video or audio
2994 programming of such network. For purposes of this subparagraph, the
2995 number of subscribers of a cable television system shall be determined
2996 either by reference to the books and records of the taxpayer or by
2997 reference to the applicable year's published rating statistics located in
2998 published surveys, provided the method used by the taxpayer is
2999 consistently used from year to year for such purpose and fairly
3000 represents the taxpayer's activities in the state.

3001 (C) The denominator of the apportionment fraction of a broadcaster
3002 shall include gross receipts of the broadcaster that are derived from the

3003 activities referred to in subdivision (1) of subsection [(l)] (k) of this
3004 section, whether or not assignable to the state.

3005 (4) (A) Except as provided in subparagraph (B) of this subdivision,
3006 with respect to the determination of the apportionment fraction for net
3007 income derived from video or audio programming production
3008 services, the numerator of the apportionment fraction for an eligible
3009 production entity shall consist of the eligible production entity's gross
3010 receipts, as described in [subdivision (3) of subsection (c)] subsection
3011 (b) of this section, which are assignable to the state, as provided in
3012 [subdivision (3) of subsection (c)] subsection (b) of this section. Except
3013 as provided in subparagraph (C) of this subdivision, with respect to
3014 the determination of the apportionment fraction for net income
3015 derived from video or audio programming production services, the
3016 denominator of the apportionment fraction for an eligible production
3017 entity shall consist of the eligible production entity's total gross
3018 receipts, as described in [subdivision (3) of subsection (c)] subsection
3019 (b) of this section, whether or not assignable to the state.

3020 (B) The numerator of the apportionment fraction for an eligible
3021 production entity shall include gross receipts of the entity that are
3022 derived from video or audio programming production services
3023 relating to events which occur within this state.

3024 (C) The denominator of the apportionment fraction for an eligible
3025 production entity shall include gross receipts of the entity that are
3026 derived from video or audio programming production services
3027 relating to events which occur within or without this state.

3028 [(m)] (l) Each taxable member of a combined group required to file a
3029 combined unitary tax return pursuant to section 12-222, as amended
3030 by [this act] public act 15-244, shall, if one or more members of such
3031 group are taxable without this state, apportion its net income as
3032 provided in subsections (b) and (c) of section 139 of [this act] public act
3033 15-244.

3034 Sec. 545. Section 12-217o of the general statutes is repealed and the
3035 following is substituted in lieu thereof (*Effective January 1, 2016*):

3036 There shall be allowed as a credit against the tax imposed on any
3037 corporation under this chapter with respect to any taxable year of such
3038 corporation commencing on or after January 1, 1997, (1) that has more
3039 than two hundred fifty full-time, permanent employees but not more
3040 than eight hundred full-time, permanent employees whose wages,
3041 salaries or other compensation is paid in this state, as the phrase is
3042 used in subsection [(c)] (b) of section 12-218, as amended by this act, an
3043 amount equal to five per cent of the amount spent by the corporation
3044 on machinery and equipment acquired for and installed in a facility in
3045 this state, which amount exceeds the amount spent by such
3046 corporation during the preceding income year of the corporation for
3047 such expenditures or (2) that has not more than two hundred fifty
3048 full-time, permanent employees whose wages, salaries or other
3049 compensation is paid in this state, as the phrase is used in subsection
3050 [(c)] (b) of section 12-218, as amended by this act, an amount equal to
3051 ten per cent of the amount spent by the corporation on machinery and
3052 equipment acquired for and installed in a facility in this state, which
3053 amount exceeds the amount spent by such corporation during the
3054 preceding income year of the corporation for such expenditures. In
3055 addition, any amount spent (1) by a corporation whose income year,
3056 for federal income tax purposes, commences on the first day of
3057 January, February, March, April or May, (2) on machinery and
3058 equipment acquired for and installed in a facility in this state, (3)
3059 during that portion of its income year in 1995 that expired on May 31,
3060 1995, shall be deemed to have been spent during its income year
3061 commencing in 1997 and shall be added to any amount actually spent
3062 on machinery and equipment acquired for and installed in a facility in
3063 this state during its income year commencing in 1997, provided the
3064 credit percentage to which such corporation shall be entitled for its
3065 income year commencing in 1997 shall be based on the number of
3066 full-time, permanent employees during its income year commencing in
3067 1997.

3068 Sec. 546. Subparagraph (J) of subdivision (6) of subsection (a) of
3069 section 12-218b of the general statutes is repealed and the following is
3070 substituted in lieu thereof (*Effective January 1, 2016*):

3071 (J) (i) Any company, other than an insurance company or a real
3072 estate broker, which derives fifty per cent or more of its gross income
3073 from one or more of the following sources or activities: Loans; letters of
3074 credit and acceptance of drafts; underwriting, purchase, placement,
3075 sale or brokerage of securities, commodities contracts or other financial
3076 instruments or contracts on its own account or for the account of
3077 others; exchanges, exchange clearinghouses and other services allied
3078 with the exchange of securities or commodities contracts; investment
3079 advisory or management services; investment banking services,
3080 corporate trust and escrow services; securities information processing;
3081 securities and financial rating agency services; transfer agent, clearing
3082 agent, securities custodial and depository services; securities exchange
3083 or quotation services; any of the services described in subsection [(f)]
3084 (e) of section 12-218, as amended by this act; any of the services
3085 described in subsection [(g)] (f) of section 12-218, as amended by this
3086 act; management, distribution or administrative services to or on
3087 behalf of an investment entity; management, distribution or
3088 administrative services to or on behalf of pension funds or retirement
3089 accounts; leasing or acting as an agent, broker or adviser in connection
3090 with leasing real and personal property that is the functional
3091 equivalent of an extension of credit and that transfers substantially all
3092 of the benefits and risks incident to the ownership of property,
3093 including any direct financing lease or leverage lease that meets the
3094 criteria of Financial Accounting Standards Board Statement No. 13,
3095 "Accounting for Leases" or any other lease that is accounted for as a
3096 financing by a lessor under generally accepted accounting principles;
3097 activities of a Morris plan company; credit card activities; third party
3098 insurance administration services, claim administration services, claim
3099 adjusting services, premium billing and collection services, or
3100 employee benefit plan administration services; insurance underwriting
3101 or policy issuance services; actuarial services; trust company services;

3102 financial planning services; insurance brokerage services; or risk
3103 management services;

3104 Sec. 547. Subsection (k) of section 12-218b of the general statutes is
3105 repealed and the following is substituted in lieu thereof (*Effective*
3106 *January 1, 2016*):

3107 (k) This section shall not apply to net income from services or
3108 activities described in subsection [(f), (g) or (j)] (e), (f) or (i) of section
3109 12-218, as amended by this act, which income shall be apportioned in
3110 accordance with said subsection [(f), (g) or (j)] (e), (f) or (i), whether or
3111 not the taxpayer is taxable outside this state, or, for income years
3112 commencing prior to January 1, 2002, in the case of net income from
3113 activities described in said subsection [(j)] (i) that is earned by a
3114 taxpayer that is either not eligible to make the election described in
3115 said subsection [(j)] (i) or does not make the election described in said
3116 subsection [(j)] (i) which income shall be apportioned in accordance
3117 with subsection (b) of said section 12-218, as amended by this act.

3118 Sec. 548. Subsection (a) of section 12-219b of the general statutes is
3119 repealed and the following is substituted in lieu thereof (*Effective*
3120 *January 1, 2016*):

3121 (a) With respect to the taxation under this chapter in income years
3122 commencing on or after January 1, 1996, of a company's distributive
3123 share as a partner of partnership income or loss in all partnerships in
3124 which it is or may become a partner, a company may, on or before the
3125 due date, or, if applicable, the extended due date, of its corporation
3126 business tax return for its income year beginning during 1996, make an
3127 election, on its corporation business tax return for such income year,
3128 not to have the provisions of subsection [(e)] (g) of section 12-218, as
3129 amended by this act, and subsection (b) of section 12-219a apply.
3130 Except as otherwise provided by subsection (b) of this section, the
3131 election shall be irrevocable.

3132 Sec. 549. Subdivision (27) of subsection (a) of section 12-407 of the

3133 general statutes is repealed and the following is substituted in lieu
3134 thereof (*Effective January 1, 2016*):

3135 (27) "Community antenna television service" means (A) the one-way
3136 transmission to subscribers of video programming or information by
3137 cable, fiber optics, satellite, microwave or any other means, and
3138 subscriber interaction, if any, which is required for the selection of
3139 such video programming or information, and (B) noncable
3140 communications service, as defined in section 16-1, unless such
3141 noncable communications service is purchased by a cable network as
3142 that term is used in subsection [(l)] (k) of section 12-218, as amended
3143 by this act.

3144 Sec. 550. Section 52-557q of the general statutes is repealed and the
3145 following is substituted in lieu thereof (*Effective January 1, 2016*):

3146 No claim for damages shall be made against a broadcaster, as
3147 defined in subsection [(l)] (k) of section 12-218, as amended by this act,
3148 or an outdoor advertising establishment, as described in the United
3149 States Department of Labor Standard Industrial Classification System
3150 Code 7312, that, pursuant to a voluntary program between
3151 broadcasters and law enforcement agencies, or between law
3152 enforcement agencies and outdoor advertising establishments,
3153 broadcasts or disseminates an emergency alert and information
3154 provided by a law enforcement agency concerning the abduction of a
3155 child, including, but not limited to, a description of the abducted child,
3156 a description of the suspected abductor and the circumstances of the
3157 abduction. Nothing in this section shall be construed to (1) limit or
3158 restrict in any way any legal protection a broadcaster or outdoor
3159 advertising establishment may have under any other law for
3160 broadcasting, outdoor advertising or otherwise disseminating any
3161 information, or (2) relieve a law enforcement agency from acting
3162 reasonably in providing information to the broadcaster or outdoor
3163 advertising establishment.

3164 Sec. 551. Section 12-412k of the general statutes is repealed. (*Effective*

3165 January 1, 2016, and applicable to sales occurring on or after said date)

3166 Sec. 552. Sections 7-63, 17a-3a, 17a-6b, 17a-27, 17a-27b, 17a-27d and
 3167 17a-27e of the general statutes are repealed. (Effective December 1, 2016)"

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	5-278(b)
Sec. 502	<i>from passage</i>	5-278(d)
Sec. 503	<i>from passage</i>	5-278(f)
Sec. 504	<i>from passage</i>	5-271(a)
Sec. 505	<i>from passage</i>	5-272(c)
Sec. 506	<i>from passage</i>	3-13b
Sec. 507	<i>from passage</i>	New section
Sec. 508	<i>from passage</i>	3-20(d)
Sec. 509	<i>from passage</i>	New section
Sec. 510	<i>from passage</i>	New section
Sec. 511	<i>December 1, 2016</i>	4b-55
Sec. 512	<i>December 1, 2016</i>	4b-58(a)
Sec. 513	<i>December 1, 2016</i>	10-233d(l)
Sec. 514	<i>December 1, 2016</i>	10-233k(b)
Sec. 515	<i>December 1, 2016</i>	17a-3(a)
Sec. 516	<i>December 1, 2016</i>	17a-11(b)
Sec. 517	<i>December 1, 2016</i>	17a-12
Sec. 518	<i>December 1, 2016</i>	17a-32
Sec. 519	<i>December 1, 2016</i>	17a-185
Sec. 520	<i>December 1, 2016</i>	17a-201b
Sec. 521	<i>December 1, 2016</i>	22a-1f(b)
Sec. 522	<i>December 1, 2016</i>	46b-140
Sec. 523	<i>December 1, 2016</i>	52-261a(e)
Sec. 524	<i>December 1, 2016</i>	53-164
Sec. 525	<i>December 1, 2016</i>	4b-23(i)
Sec. 526	<i>December 1, 2016</i>	4b-91
Sec. 527	<i>December 1, 2016</i>	17a-6c
Sec. 528	<i>from passage</i>	New section
Sec. 529	<i>from passage</i>	New section
Sec. 530	<i>from passage</i>	New section
Sec. 531	<i>from passage</i>	New section
Sec. 532	<i>from passage</i>	New section

Sec. 533	<i>from passage and applicable to taxable years commencing on or after January 1, 2016</i>	12-711
Sec. 534	<i>from passage and applicable to first sales made on or after December 1, 2015</i>	12-587(b)(2)
Sec. 535	<i>January 1, 2016, and applicable to taxable and income years commencing on or after January 1, 2016</i>	12-217g(a)
Sec. 536	<i>from passage</i>	12-217zz
Sec. 537	<i>from passage and applicable to calendar quarters commencing on or after January 1, 2016</i>	12-263b(c)
Sec. 538	<i>from passage and applicable to assessment years commencing on or after October 1, 2015</i>	New section
Sec. 539	<i>from passage and applicable to taxable years commencing on or after January 1, 2017</i>	12-217v
Sec. 540	<i>January 1, 2016, and applicable to income years commencing on or after said date</i>	PA 15-244, Sec. 139
Sec. 541	<i>January 1, 2016, and applicable to income years commencing on or after said date</i>	PA 15-244, Sec. 140(a) and (b)
Sec. 542	<i>from passage</i>	12-217(a)(4)
Sec. 543	<i>from passage</i>	12-216a
Sec. 544	<i>January 1, 2016, and applicable to income years commencing on or after January 1, 2016</i>	12-218
Sec. 545	<i>January 1, 2016</i>	12-217o
Sec. 546	<i>January 1, 2016</i>	12-218b(a)(6)(J)
Sec. 547	<i>January 1, 2016</i>	12-218b(k)

Sec. 548	<i>January 1, 2016</i>	12-219b(a)
Sec. 549	<i>January 1, 2016</i>	12-407(a)(27)
Sec. 550	<i>January 1, 2016</i>	52-557q
Sec. 551	<i>January 1, 2016, and applicable to sales occurring on or after said date</i>	Repealer section
Sec. 552	<i>December 1, 2016</i>	Repealer section